

JANUARY 27, 2022

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING PACKET**

WSHFC



**WASHINGTON STATE
HOUSING FINANCE
COMMISSION**

Opening doors to a better life

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION WORK SESSION AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Work Session** on Thursday, January 27, 2022, at 11:00 a.m., to consider the items in the agenda below.

Per the Governor’s proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered virtually.

To join virtually, please go to www.zoom.us, go to “Join a Meeting,” and enter:

Webinar/Meeting ID: 837 3762 2736

Passcode: 309131

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

Participants wishing to provide public comments, please see public engagement opportunities on page two below for instructions.

- I. Steve Walker/Alma Villegas/Gayle Johnson:** Update on Diversity, Equity, and Inclusion (DEI) Consultant Engagement – Where we are now and where we are going. (15 min.)

- II. Lisa Vatske:** Sound Transit update. (10 min.)

- III. Lisa Vatske:** Federal legislative update and impacts on our funding rounds. (15 min.) **A**

- IV. Diane Klontz:** Informational Report on Department of Commerce Activities (if time allows)

- V. Steve Walker:** Executive Director’s Report (if time allows)

Note: There will be a break after the conclusion of the Work Session. The Commission Meeting will reconvene at 1 p.m.

Public Engagement at Commission Meetings

All Board meetings of the Washington State Housing Finance Commission are open to the public. Our intention is to welcome all members of the public and to provide a clear and reasonable process through which they can share their thoughts with us.

Different ways to Join a Commission Meeting:

1. Click **here** to go to the meeting directly
2. At www.zoom.us, go to “Join a Meeting,” and enter:
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3. To participate by phone, dial toll-free either: **1-(888)-788-0099** or **1-(877)-853-5247**.

During Meetings:

During Commission board work sessions and board meetings, attendees can see and hear all presentations and business taking place. Microphones will be turned off except to receive comment during public hearings and the public general comment period.

Public Hearings:

Commission meetings often include public hearings for specific housing projects or other policy decisions. Please limit comments to those directly related to the public hearing topic.

Public Comment:

- **Purpose of Public Comment**
During this period, the Commissioners listen to public concerns and comments but do not generally engage in dialogue. Staff will follow up with commenters who request assistance or answers to questions, providing that contact information is shared. Anyone who wishes to speak during the public comment period can take this opportunity.
- **When to Comment**
The public comment period takes place near the end of the afternoon Commission board meeting (not the morning work session). The starting time for the public comment period depends on the length of the Commission’s other business. Typically, the public comment period is reached after about an hour (2 p.m.) but may be sooner or later.
- **Raising Your Hand in Zoom or Through Phone Participation**
To give us a sense of the number of people wishing to speak and help us call on you in an orderly fashion, the meeting Chair will ask you to use the Zoom “raise hand” feature to indicate you would like to speak. People participating on the telephone can press *9 to virtually “raise a hand.” Whether or not you are able to virtually raise a hand, the chair will provide time and opportunity for all to share their comments before closing the public comment period.
- **Timing of Comments:**
We ask that speakers keep their comments brief (2 to 3 minutes). The chair may ask you to begin bringing your statement to a close after that time, especially if others are waiting to speak. Our intention is not to impose a specific time limit unless it seems necessary to give a large number of speakers an equal chance to share their comments.

**WASHINGTON STATE HOUSING FINANCE COMMISSION
COMMISSION MEETING AGENDA**

YOU ARE HEREBY NOTIFIED that the Washington State Housing Finance Commission will hold a **Special Meeting** on Thursday, January 27, 2022, at 1:00 p.m., to consider the items in the agenda below.

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- I. **Chair: Approval of the Minutes from the December 9, 2021 Special Meeting.** 1
(5 min.)

- II. **Steve Walker: Employee Recognition** (10 min.)

- III. **Chair: Conduct a Public Hearing on the following:**
 - A. **The University Prep Project, OID # 22-03** 2
Claire Petersky: The proposed issuance of one or more series of tax exempt and/or taxable revenue bonds to: (i) refinance existing taxable debt of the Borrower related to the refunding of prior Commission bonds and the financing of the acquisition of land, prior rehabilitation, renovation and remodeling of existing educational facilities, and the development of the projects; (ii) finance and/or refinance the acquisition, construction, expansion, improvement, installation and/or equipping of an approximately 40,000 square foot educational facility; (iii) finance and/or refinance the rehabilitation, renovation and remodeling of existing educational facilities; (iv) finance capitalized interest on the Bonds; and (v) finance all or a portion of the costs of issuing the Bonds. The project is owned by University Preparatory Academy, a Washington 501 (c)(3) nonprofit corporation, located at 8000 25th Avenue NE and 7740 24th Avenue NE and 2415 NE 80th Street, Seattle, WA 98115. The total estimated bond amount is not expected to exceed \$56,000,000. (5 min.)

B. Spokane United Methodist Homes, OID # 21-103A

3

Claire Petersky: The proposed issuance of one or more series of tax-exempt and/or taxable revenue bonds to (i) refund prior bonds issued by the Commission to finance and refinance capital expenditures relating to the Projects and related expenses, and (ii) finance additions to and rehabilitation of Rockwood South Hill facilities, including costs of issuing the Bonds and other related expenses. The project is owned by Spokane United Methodist Homes d/b/a Rockwood Retirement Communities, a Washington 501(c)(3) nonprofit corporation. The total estimated maximum bond amount is not expected to exceed \$85,000,000 and the facility names and addresses are:

Project:	Rockwood South Hill campus, including The Summit, The Ridge and Forest Estates
Project Address:	2903 E 25th Avenue Spokane, WA 99223
Total Estimated Project Cost:	\$85,000,000
Project:	Rockwood at Whitworth campus
Project Address:	101 East Hawthorne Road Spokane, WA 99218
Total Estimated Project Cost:	\$6,500,000
Estimated Maximum Bonds Amount:	\$85,000,000

C. Grand Street Commons, OID # 20-95A

4

Claire Petersky: The proposed issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 206-unit multifamily housing facility located at 2201 S. Grand Street, Seattle, WA 98144, to be owned by Grand Street Commons MBH LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$46,000,000. (5 min.)

D. Watershed Renton, OID # 20-94A

5

Claire Petersky: The proposed issuance of one or more series of tax-exempt and/or taxable notes to finance a portion of the costs for the acquisition, construction and equipping of a 145-unit multifamily housing facility located at 615 and 617 Williams Avenue S., Renton, WA 98055, to be owned by GMD Renton LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$48,000,000. (5 min.)

IV. Consider and Act on the Following Action Items:

- A. Resolution No. 22-26, Grata at Totem Lake 4%, OID # 20-78A** **6**
Lisa Vatske: A resolution approving the issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the new construction of a 125-unit multifamily housing facility located at 12410 NE Totem Lake Way, Kirkland, WA 98034, to be owned by Kirkland TWG LLLP, a Washington limited liability limited partnership. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$37,000,000. The public hearing was held November 18, 2021. (5 min.)
- B. Sound Transit separate allocation track** **7**
Lisa Vatske: Request approval of the policy change to allow for Sound Transit projects to receive bond cap on a separate track and providing authority for the Executive Director to enter into an agreement with Sound Transit documenting the partnership and alignment of resources. (5 min.)
- C. Lisa DeBrock:** Approval to increase the Commission’s Single-Family House Key Opportunity acquisition cost limits (10 min.) **8**
- D. Lisa DeBrock:** Request approval of the recommendation to hire a Seller Servicer Consultant (10 min.)

V. Informational Report on Department of Commerce Activities. (10 min.)

VI. Executive Director’s Report (10 min.)

VII. Commissioners’ Reports (10 min.)

VIII. Chair: Consent Agenda (5 min.)

- A. Homeownership & Homebuyer Education Programs Monthly Activities Report** **9**
- B. Multifamily Housing and Community Facilities Monthly Activities Report** **10**
- C. Asset Management and Compliance Monthly Activities Report** **11**
- D. Financial Statements as of December 31, 2021** **12**
- E. Quarterly Program Status Reports from the period ending December 31, 2021** **13**
- 1. Homeownership Division**
 - 2. Multifamily and Community Facilities Division**

- 3. **Asset Management and Compliance Division**
- 4. **Administration, Human Services, and IT Division**
- 5. **Finance Division**

- IX. Chair: Miscellaneous Correspondence and Articles of Interest (5 min.)**
 - A. Miscellaneous Correspondence and Articles of Interest 14**
 - B. HFC Events Calendar 15**

- X. Chair: Public Comment**

- XI. Executive Session (if necessary)**

- XII. Adjourn**

Bill Rumpf, Chair

Consent Agenda items will only be discussed at the request of a Commissioner.

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2022 Allocation List

Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
22-10	Application	Good Shepard Housing	Low Income Housing Institute (LIHI)	Seattle	King County	190	\$ 25,760	\$ 2,163,829	84	50%	25%		25%	0	0	0	0	0	63
22-08	Application	Horizon Housing at Totem Lake	Horizon Housing Alliance of Washington	Kirkland	King County	189	\$ 26,576	\$ 1,063,040	40	50%		50%		0	0	0	0	0	30
22-20	Application	DESC Woodland	Downtown Emergency Service Center	Seattle	King County	187	\$ 21,636	\$ 2,163,612	100	50%		50%		0	0	0	0	0	75
22-12	Application	DESC Burien Supportive	Downtown Emergency Service Center	Burien	King County	186	\$ 22,540	\$ 2,141,260	95	50%		50%		0	0	0	0	0	68
King County Credit Allocated:									319					0	0	0	0	0	236
King County Credit Available:									\$5,604,334										
Balance:														(\$1,927,407)					

King County Waiting List

22-07	Application	Ballard PSH*	Plymouth Housing Group	Seattle	King County	190	\$ 14,815	\$ 1,200,000	81	50%		50%		0	0	0	0	0	61
22-21	Application	South Park Housing	Sea Mar Community Health Centers	Seattle	King County	164	\$ 26,576	\$ 2,046,352	77	50%		50%		0	16	0	0	0	16
22-22	Application	SeaMar Kent Housing	Sea Mar Community Health Centers	Kent	King County	163	\$ 26,576	\$ 823,856	31	50%		50%		0	0	0	0	7	7
King Waiting List Balance:									189					0	16	0	7	84	

Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
										Final Allocation amount may change based on new Federal legislation									
										Preservation and Recapitalization Pool									
										\$0 0 0 0 0 0 0 0 0 0									
										New Production									
22-11	Application	Edmonds Lutheran	Housing Hope	Edmonds	Snohomish	170	\$ 27,852	\$ 1,448,295	52	50%		50%		0	0	0	0	0	26
22-16	Application	Laurel Manor	Columbia Non-Profit Housing	Vancouver	Clark	167	\$ 26,388	\$ 2,163,816	82	50%		50%		0	0	0	0	0	17
22-04	Application	Highland Village Phase 2	Community Frameworks	Airway Heights	Spokane	164	\$ 28,621	\$ 1,402,427	49	50%	10%		40%	0	10	0	0	10	0
22-09	Application	Laurel & Forest	Opportunity Council	Bellingham	Whatcom	163	\$ 27,640	\$ 1,547,840	56	50%		50%		0	0	0	56	12	0
22-17	Application	Shiloh Redevelopment	New Life Housing/Shiloh Baptist Church	Tacoma	Pierce	161	\$ 26,576	\$ 1,594,560	60	50%		50%		0	0	0	0	12	12
Total Metro Credit Allocated:									299					0	10	56	34	55	
Metro Credit Available:									\$6,554,379										
Metro Balance (Total):														(\$1,602,559)					

Metro Wait List

										Metro Waiting List Balance:									
										\$0 0 0 0 0 0 0 0 0 0									

Non-Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless

Preservation and Recapitalization Pool																			
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										Non-Metro Rehab Credit Allocated:		\$0	0					0	0	0	0	0
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New Production

22-23	Application	Colville Family Haven	Catholic Housing Services of Eastern WA	Colville	Stevens	187	\$ 26,021	\$1,821,481	70	50%	10%		40%							
22-01	Application	Fruitvale Housing	The Housing Authority of the City of Yakima	Yakima	Yakima	185	\$ 23,767	\$1,283,411	54	50%	10%		40%							
22-24	Application	Martin Way Phase 2	Low Income Housing Institute	Olympia	Thurston	180	\$ 27,640	\$1,741,320	63	50%		50%								

										Non-Metro Credit Allocated:		\$4,846,212	187					0	0	0	0	94		
										Non-Metro Credit Available:		\$3,739,686												
										Non-Metro Balance:		(\$1,106,526)												

Non-Metro Wait List

22-06	Application	The Cape at Interlake	MacDonald Ladd/Trillium Housing Services	Moses Lake	Grant	178	\$ 26,041	\$1,536,440	59	10%	50%	40%			45					
22-14	Application	CCHS Grant County Preservation	Catholic Charities Housing Services	Scattered Site	Grant	172	\$ 13,872	\$1,290,104	93	10%	50%	40%			70					
22-13	Application	Othello Permanent Farmworker Housing	Othello Housing Authority	Othello	Adams	171	\$ 17,579	\$703,152	40	10%	50%	40%			30					
22-18	Application	Teanaway Court	HopeSource	Cle Elum	Kittitas	171	\$ 28,206	\$1,353,874	48	50%		50%								
22-19	Application	Orchard II	Trillium Housing Services	Mattawa	Grant	170	\$ 21,277	\$1,000,000	47	10%	50%	40%			36					
22-15	Application	Willow Grove	Kelso Housing Authority	Kelso	Cowlitz	169	\$ 26,514	\$848,432	32	10%	50%	40%								16
22-05	Application	Sunrise Village	Longview Housing Auth/HOSWWA	Longview	Cowlitz	169	\$ 27,403	\$1,233,138	45	50%	30%		40%							23
22-25	Application	Hilltop II	Trillium Housing Services	Wenatchee	Chelan	166	\$ 26,966	\$1,537,054	57	10%	50%	40%								43

										Non-Metro Waiting List Balance:		\$9,502,194	515					181	0	0	0	106
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Statewide Allocation Round Totals:			Total Project Applications: 23	Total Credit Requested:	\$34,107,293	1,509							181	26	56	41	575
			Total Projects Above Line: 12	Total Credit Above Line:	\$20,534,891	805							0	10	56	34	385
			Application Success Percentage: 52%	Total Credit Available:	\$15,898,400												
				Statewide FWD Commit:	(\$4,636,491)												

Final Allocation amounts may change if new Federal resources are made available.
 * Ballard is being funded with other Public Funds.

9% Housing Tax Credit Program Credit Summary

		Per Capita Rate		Credit
State Credit Authority				
2022 Per Capita Credit (IRS Notice Pending)	7,738,692	2.60000	\$	20,120,599
			\$	-
2022 National Pool Credit (IRS Revenue Procedure 21-44)			\$	-
Total 2022 Credit Authority			\$	20,120,599
Total 2022 Credit Authority for Geographic Credit Pool Division			\$	20,120,599
Less 2021 Forward Commitment	Taken From Pools Below		\$	(4,222,200)
King County				
35% of Total Credit Authority	35%		\$	7,042,210
less 2021 KC fwd allocation of 2022 KC Credit			\$	(1,437,876)
plus KC Returned Credit				
Credit Allocated			\$	(7,531,741)
King County Balance			\$	(1,927,407)
Metro Credit				
37% of Total Credit Authority	37%		\$	7,444,622
less 2021 Metro FWD allocation of 2022 Metro Credit			\$	(890,242)
plus Metro Returned Credit				
Credit Allocated			\$	(8,156,938)
Metro Balance			\$	(1,602,559)
Non-Metro Credit				
28% of Total Credit Authority	28%		\$	5,633,768
less 2021 NM FWD allocation of 2022 NM Credit			\$	(1,894,082)
plus NM Returned Credit			\$	-
Credit Allocated			\$	(4,846,212)
Non-Metro Balance			\$	(1,106,526)
Metro Pool per County Limit 35% of Pool Authority			\$	2,605,618
Non Metro Pool per County Limit (35% of Pool Authority)			\$	1,971,819
Statewide Accounting of 2021 Credit				
Total 2022 Credit Authority			\$	20,120,599
2021 Unused Credit			\$	-
2021 King County Forward Commitment			\$	(1,437,876)
2021 Metro Forward Commitment			\$	(890,242)
2021 Non-Metro Forward Commitment			\$	(1,894,082)
Returned Credit from King County				
Returned Credit from Metro Pool				
Returned Credit from Non-Metro Pool			\$	-
Credit Allocated to King County			\$	(7,531,741)
Credit Allocated to Metro			\$	(8,156,938)
Credit Allocated to Non-Metro			\$	(4,846,212)
Balance of 2021 Credit			\$	(4,636,491)
% of credit authority forward committed				23.04%
Qualified Nonprofit Allocations				
Total 2021 Credit Authority for Geographic Credit Pool Division			\$	20,120,599
2021 Unused Credit			\$	-
Returned Credit from King County				
Returned Credit from Metro Pool				
Returned Credit from Non-Metro Pool			\$	-
Total 2021 Credit Authority for QNP Requirement			\$	20,120,599
Credit Allocated to QNPs			\$	3,612,124
Percent allocated to QNPs				17.95%
	Good Shepard Housing	\$ 2,163,829		
	Edmonds Lutheran	\$ 1,448,295		
Forward Commitment RAC's of 2022 credit				
	DESC Burien Supportive		\$	2,141,260
	Shiloh Redevelopment		\$	1,594,560
	Laurel & Forest		\$	1,547,840
	0		\$	-
		Total	\$	6,878,220
Summary for 8610				
2022 Per Capita Credit			\$	20,120,599
2022 National Pool Credit			\$	-
2022 Returned Credit			\$	-
Less forward Commitment from 2021			\$	(4,222,200)
TOTAL credit to allocate			\$	15,898,400
2022 credit allocated (all pools)			\$	\$20,534,891
Forward commitment of 2022 credit			\$	(4,636,491)

WASHINGTON STATE HOUSING FINANCE COMMISSION

WORK SESSION MINUTES

December 9, 2021

The December 9, 2021 work session was called to order at 11:00 a.m. by Chair Bill Rumpf via Zoom and conference call. In attendance were Commissioners Ken Larsen, Nicole Bascomb, Diane Klontz, Brian Surratt, Mike Pellicciotti, Albert Tripp, Lowel Krueger, Pedro Espinoza, Wendy Lawrence and Alishia Topper.

Faith Pettis, Peter Orser and Patience Malaba gave a presentation on Sound Communities, which they are representing. The presentation outlined the group's Mission and Vision which states, "to promote the development of complete, walkable, equitable and inclusive neighborhoods at scale across the Puget Sound region in concert with the region's historic investment in transit." They also mentioned their funding, work to date, their path forward and the Commission's possible involvement.

Lisa DeBrock gave a presentation on the Homeowner Assistance Fund (HAF). The American Rescue Plan Act (ARPA) passed by Congress in March 2021 provided Washington \$173 million to prevent mortgage delinquencies and defaults, foreclosures and displacement of homeowners experiencing hardships due to Covid-19. The Commission is currently working with Commerce to implement the HAF pilot and larger plan for this.

Diane Klontz gave her Informational Report on Department of Commerce activities.

The work session was adjourned at 12:00 p.m.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION
MINUTES**

December 9, 2021

The Commission meeting was called to order by Chair Bill Rumpf at 1:00 p.m. via Zoom and conference call. Those Commissioners present were Ken Larsen, Nicole Bascomb, Diane Klontz, Brian Surratt, Mike Pellicciotti, Albert Tripp, Lowel Krueger, Pedro Espinoza, Wendy Lawrence and Alishia Topper.

**Approval of the
Minutes**

The minutes of the November 18, 2021 special meeting were approved as distributed.

**Public Hearing:
Redondo Heights
Senior Living, OID
19-159A**

The Chair opened a public hearing for Redondo Heights Senior Living, OID #19-159A, at 1:03 p.m.

Claire Petersky, Manager of Multifamily Housing and Community Facilities, said this public hearing is for the proposed issuance of one or more series of tax-exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 212-unit multifamily housing facility located at 27400 Pacific Highway S., Federal Way, WA, 98003, to be owned by Redondo Heights Senior Living Associates Limited Partnership, a Washington limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$55,000,000. Ms. Petersky introduced Bryan Park President of Sustainable Housing for Ageless Generations (SHAG).

Mr. Park stated that Redondo Heights Senior Living will be a 212-unit development with twenty percent of units income targeted to households with incomes below 50% area median income. The property will offer a dedicated transit van and a dedicated electric vehicle for use by residents, as well as electric vehicle charging stations. Each of the three buildings will have roof decks with

walking paths, seating, landscaping, pea-patch planters for resident use, social media rooms and a pet exercise area.

Lisa Vatske, Director of the Multifamily Housing and Community Facilities Division (MHFC) stated that this project is using expiring recycled bond cap.

There were no other comments from members of the public and the hearing was closed at 1:20 p.m.

**Action Item:
Resolution No. 21-107,
Reauthorization of
funding for the
Beginning
Farmer/Rancher
Program**

Ms. Vatske gave a brief explanation of the Beginning Farmer/Rancher Loan program and said this is the annual resolution approving the issuance of up to \$2,000,000 in bonds to fund the Beginning Farmer/Rancher Loan Program.

Mr. Krueger moved to approve the resolution. Mr. Espinoza seconded the motion. The resolution was unanimously approved

**Action Item:
Resolution No. 21-
112, Madison at
River's Edge, OID
21-93A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of revenue bonds to finance a portion of the costs for the acquisition of an existing 120-unit multifamily housing facility located at 1741 22nd Street NE, Auburn, WA 98002, to be owned by AOF/Pacific Affordable Corp., a California nonprofit public benefit corporation and an organization described under section 501(c)(3) of the Code. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$42,000,000. The public hearing was held November 18, 2021.

Mr. Larsen moved to approve the resolution. Mr. Krueger seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No, 21-
95, 192 Shoreline,
OID # 21-33A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt and taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 250-unit multifamily housing facility located at 19022 Aurora Avenue N., Shoreline, WA 98133, to be owned by Shoreline TWG LLLP, a Washington limited liability limited partnership.

Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$72,000,000. The public hearing was held July 22, 2021.

Mr. Krueger moved to approve the resolution. Ms. Lawrence seconded the motion. The resolution was unanimously approved with one abstention from Ms. Bascomb due to a conflict of interest because she works for the lender.

**Action Item:
Resolution No. 21-
100, HopeSource
III Rural
Preservation
Portfolio, OID # 19-
122A-G**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the acquisition and rehabilitation of seven multifamily housing facilities in Grant and Yakima counties, with an aggregate total of 190 housing units, to be owned by HopeSource III Rural Preservation Associates LLLP, a Washington limited liability limited partnership. The addresses and units are listed below. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated aggregate bond amount is not expected to exceed \$20,000,000. The public hearing was held August 26, 2021.

Mr. Larsen moved to approve the resolution. Ms. Bascomb seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 21-
105, Linden, OID #
21-36A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt revenue notes to finance a portion of the costs for the new construction and equipping of a 200-unit multifamily housing facility located at 916 N. 143rd Street, Seattle, WA 98133, to be owned by Bellwether Linden LLLP, a Washington limited liability limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$60,000,000. The public hearing was held November 18, 2021.

Mr. Krueger moved to approve the resolution. Ms. Topper seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 21-
106, Midvale
Village, OID # 21-
81A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt and/or taxable revenue notes to finance a portion of the costs for the acquisition, construction and equipping of a 210-unit multifamily housing facility located at 1117 North 183rd Street, Shoreline, WA 98133, to be owned by Midvale Village, LP, a to-be-formed Washington limited partnership. Proceeds of the notes may also be used to pay all or a portion of the costs of issuing the notes. The total estimated note amount is not expected to exceed \$55,000,000. The public hearing was held November 18, 2021.

Mr. Krueger moved to approve the resolution. Ms. Bascomb seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 21-
110, Elizabeth
Thomas Homes,
OID # 21-80A**

Ms. Vatske said this is a resolution approving the issuance of one or more series of tax-exempt revenue bonds to finance a portion of the costs for the new construction of a 119-unit multifamily housing facility located at 4524 S. Henderson Street, Seattle, WA 98118, to be owned by Elizabeth Thomas Homes LLC, a Washington limited liability company. Proceeds of the bonds may also be used to pay all or a portion of the costs of issuing the bonds. The total estimated bond amount is not expected to exceed \$32,000,000. Public hearings were held November 18, 2021 and December 7, 2021.

Mr. Larsen moved to approve the resolution. Mr. Krueger seconded the motion. The resolution was unanimously approved.

**Action Item:
Resolution No. 21-
111, Grata at
Totem Lake 4%,
OID # 20-78A**

This item was pulled from the agenda.

**Action Item:
Resolution No. 21-
108, Carryforward
of Private Activity
Bond Cap**

Ms. Vatske said this is a resolution approving the carryforward of Private Activity Bond Cap. She also stated that the new carryforward bond cap will be designated to Multifamily and Community Facilities and Homeownership, with the specific amounts to be determined.

Mr. Krueger moved to approve the resolution. Ms. Bascomb seconded the motion. The resolution was unanimously approved.

**Action Item: 2022
Legislative Agenda.**

After a brief explanation of the 2022 Legislative Agenda (included in the meeting packet) by the Executive Director, the Commissioners discussed generational wealth inequity issues and how those issues relate to key housing issues in the Commission's Legislative Agenda.

Ms. Bascomb moved to approve the 2022 Legislative Agenda. Mr. Tripp seconded the motion. The agenda was unanimously approved.

**Action Item:
2022 Commission
Meeting Calendar**

Mr. Walker requested approval of the 2022 Commission meeting calendar.

Ms. Krueger moved to approve the 2022 Commission meeting calendar. Ms. Lawrence seconded the motion. The agenda was unanimously approved with one no vote from Mr. Pellicciotti, due to conflicts with his other board schedules.

**Executive
Director's Report**

Mr. Walker stated that the 2022 9% Program allocations will be announced soon but will be coordinated with Housing Trust Fund (HTF) and released around December 15th. Timing and the number of resources that will be available are still pending based on whether the Build Back Better bill is passed, so we plan reach out directly to some of the projects on the list that may need to be waitlisted or conditioned on availability of additional resources.

The Multifamily and Community Facilities (MHCF) online application process is almost ready to go live around the first of the year. It will be pre-tested with applicants who have volunteered and who need to apply by year-end in order to lock in a changing designation to their property status.

Lisa Vatske was invited to speak at and attended the Novogradac Tax Credit Conference. Her panel discussed the competitiveness of private activity bonds. In addition, there was helpful information shared on the provisions included in the Build Back Better bill and some of the considerations and policy changes that will need to be made if these provisions are passed into legislation.

Staff kicked off the UW Student Consulting Lab, which is a collaboration between the Commission and a small team of students at the Evans School of Public Policy and Governance. The students are tasked with evaluating our Total Development Cost Limit policy and providing the Commission with a recommendation on the implementation of cost-efficiency measures that seek to maximize and further promote an equitable allocation of our scarce resources across the state.

In November, Homeownership had \$217 million in new reservations assisting 616 families.

Asset Management & Compliance's (AMC) Portfolio analysts completed reviewing 91% all tax credit annual reports despite the retirement of a Senior Portfolio Analyst. AMC is preparing for the submission of over 1,200 annual reports in January for all tax credit and bond properties.

AMC presented a well-received 4-day online tax credit compliance fundamentals workshop; There were 67 attendees.

Staff continue to upgrade website forms to be editable and signable online, manage online workshop activities, and process transfers.

Finance has begun recruiting for its vacant Fiscal Analyst 4 position.

Build Back Better Bill remains in a holding pattern. Staff is confident that the LIHTC provisions remain in the bill and are hoping for Senate action by December 24th.

Our recruiter, Broadview Talent, continues a nationwide targeted search for the Deputy Director and Senior Finance Director positions. We are currently accepting applications for both. For the Director of Finance position, we have scheduled a round of initial interviews this week and next.

Staff continues preliminary discussions with legislators regarding increasing the Commission's current debt limit. We have secured a commitment from Representative Strom Peterson, Chair of the Housing, Human Services and Veterans Committee and member of the Capital Budget Committee to serve as the prime sponsor and are in discussions with Senate leadership about sponsorship. We have also begun the process to "pre-file" the debt limit legislation.

Mr. Walker participated in the following events and discussions this month; Ongoing HAF discussions; WCRA Board of Directors meeting; Microsoft quarterly meeting and AHAB board meeting.

Commissioners' Reports

Ms. Bascomb stated that the inaugural awards gala for the Western Washington Realtists – the local chapter of the National Association of Real-Estate Brokers will be on December 11. She is the current President.

Mr. Surratt stated that Housing Equity Accelerator is a LISC partnership with Amazon, providing training and capital for developers of color.

Consent Agenda

The consent agenda was approved as mailed.

Adjournment

The meeting was adjourned at 2:17 p.m.

Signature

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue bonds (the “Bonds”) to refinance existing taxable debt of University Preparatory Academy (the “Borrower”), a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and to finance the acquisition, construction, improvement, rehabilitation, renovation, remodeling, installation and/or equipping of new and existing educational facilities owned and operated by the Borrower or one of its wholly owned subsidiaries. The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 27, 2022.

Per the Governor’s proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered remotely.

To join virtually, please go to www.zoom.us, go to “Join a Meeting,” and enter:

**Webinar/Meeting ID: 837 3762 2736
Passcode: 309131**

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

The Bonds will be issued pursuant to the Revised Code of Washington, Chapter 43.180, for the purposes of financing and refinancing nonprofit facilities under Section 145 of the Code.

The proceeds of the Bonds will be used to finance and refinance the following projects:

Projects:	University Preparatory Academy
Project Address:	8000 25th Ave NE Seattle, WA 98115
Total Estimated Project Cost:	\$13,000,000
Project Address:	7740 24th Ave NE and 2415 Northeast 80 th St. Seattle, WA 98115
Total Estimated Project Cost:	\$50,000,000
Estimated Maximum Bond Amount:	\$56,000,000

Proceeds of the Bonds may be used, together with other funds of the Borrower, to (i) refinance existing taxable debt of the Borrower related to the refunding of prior Commission bonds and the financing of the acquisition of land, prior rehabilitation, renovation and remodeling of existing educational facilities, and the development of the projects; (ii) finance and/or refinance the acquisition, construction, expansion, improvement, installation and/or equipping of an approximately 40,000 square foot educational facility;

(iii) finance and/or refinance the rehabilitation, renovation and remodeling of existing educational facilities; (iv) finance capitalized interest on the Bonds; and (v) finance all or a portion of the costs of issuing the Bonds.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed plan of financing for the Projects and the proposed Bonds may be mailed or faxed to the attention of Jason Hennigan, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046 or to (206) 587-5113, for receipt no later than 5:00 p.m. on January 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable bonds. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at 206-464-7139 or 1-800-767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Nonprofit Facilities Program

Project Name	University Preparatory Academy
Developer	University Preparatory Academy
Description	The project includes the renovation of the existing Commons facility and the “ULab Project” which will be a 3-story structure with 39,630 square feet of space. Key features of the ULab include: a large gathering space with seating to encourage community building, 10 modular classrooms with movable walls to support interdisciplinary, seminar-style teaching; expanded marketplace, college counseling office and Global & Outdoor Education office; wellness space for PE, athletic, and yoga classes, and a rooftop deck with seating for student and community programming.
Location	8000 25th Avenue NE 7740 24th Avenue NE and 2415 Northeast 80th Street Seattle, WA 98115
Relation to Mission and Goals	To provide effective, low-cost financing for nonprofit facilities
Project Type	New construction, acquisition, rehabilitation of existing facility, and refinance of existing debt
Estimated Tax-Exempt Bond Amount (Not to exceed)	\$51,000,000
Bond Structure	Private Placement
Lender	First Republic Bank
Action	Public Hearing for OID# 22-03A
Anticipated Closing Date	March 2022

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing for the purpose of considering a proposed plan of finance for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue bonds (the “Bonds”) to refinance existing debt of Spokane United Methodist Homes d/b/a Rockwood Retirement Communities (“Rockwood”), a Washington nonprofit corporation and an organization described under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) and to finance all or a portion of costs of the addition to and rehabilitation of existing facilities owned and operated by Rockwood or one of its wholly owned subsidiaries. The Bonds may be issued as one or more series issued from time to time and may include series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 27, 2022.

Per the Governor’s proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered virtually.

To join virtually, please go to www.zoom.us, go to “Join a Meeting,” and enter:

**Webinar/Meeting ID: 837 3762 2736
Passcode: 309131**

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

The Bonds will be issued pursuant to the Revised Code of Washington, Chapter 43.180, for the purposes of financing and refinancing nonprofit facilities under Section 145 of the Code.

The proceeds of the Bonds will be used to finance and refinance the following projects:

Project:	Rockwood South Hill campus, including The Summit, The Ridge and Forest Estates
Project Address:	2903 E 25th Avenue Spokane, WA 99223
Total Estimated Project Cost:	\$85,000,000
Project:	Rockwood at Whitworth campus
Project Address:	101 East Hawthorne Road Spokane, WA 99218
Total Estimated Project Cost:	\$6,500,000
Estimated Maximum Bonds Amount:	\$85,000,000

Proceeds of the Bonds may be used, together with other funds of Rockwood, to (i) refund prior bonds issued by the Commission to finance and refinance capital expenditures relating to the above Projects and

related expenses, and (ii) finance additions to and the rehabilitation of Rockwood South Hill facilities, including costs of issuing the Bonds and other related expenses.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the plan of finance for the Projects and the proposed Bonds may be mailed or faxed to the attention of Dan Schilling, WSHFC, Multifamily Housing and Community Facilities Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-1046 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, January 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from a tax-exempt and/or taxable bonds. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the Multifamily Housing and Community Facilities Division at (206) 464-7139 or 1-(800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Nonprofit Housing Program

Project Name	Spokane United Methodist Homes d/b/a Rockwood Retirement Communities
Developer	Spokane United Methodist Homes d/b/a Rockwood Retirement Communities
Description	Proceeds of the Bonds may be used, together with other funds of Rockwood, to (i) refund prior bonds issued by the Commission to finance and refinance capital expenditures relating to the above Projects and related expenses, and (ii) finance additions to and the rehabilitation of Rockwood South Hill facilities, including costs of issuing the Bonds and other related expenses.
Location	2903 E 25th Avenue Spokane, WA 99223 101 East Hawthorne Road Spokane, WA 99218
Project Type	Addition and rehabilitation of an existing facility, and refinance of an existing debt
Regulatory Agreement Term	Minimum of 15 years
Estimated Tax-Exempt Bond Amount	\$85,000,000
Bond Structure	TBD
Lender	TBD
Action	Public Hearing for OID # 21-103A
Anticipated Closing Date	March 2022

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt revenue obligations (the “Notes”) to finance a portion of the costs for the new construction of the residential portion of a mixed-use multifamily housing facility in Seattle, Washington, to be owned by Grand Street Commons MBH LLLP, a Washington limited liability limited partnership. The Notes may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 27, 2022.

Per the Governor’s proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered virtually.

To join virtually, please go to www.zoom.us, go to “Join a Meeting,” and enter:

**Webinar/Meeting ID: 837 3762 2736
Passcode: 309131**

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free.

The Notes will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing the qualified residential portion of a mixed-use rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Grand Street Commons
Project Address:	2201 S. Grand Street Seattle, WA 98144
Total Estimated Project Cost:	\$93,522,681
Estimated Maximum Note Amount:	\$46,000,000 (a portion of which may be taxable).

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction and equipping of a 206-unit mixed-use multifamily housing facility in Seattle, WA, and to pay all or a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the proposed Project and the proposed Notes may be mailed or faxed to the attention of Dan Schilling, WSHFC, MHC Division, 1000 Second Avenue, Suite 2700,

Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5 p.m. on Wednesday, January 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at (206) 464-7139 or 1-(800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name	Grand Street Commons	
Developer	Mount Baker Housing Association	
Description	<p>Grand Street Commons will be 6 floors of wood framing over a one level of concrete. Located within a ¼ mile of the new Judkins Park light rail station overly slated to open in 2023, parking will not be required. The street level will be a lobby, management offices and a fitness room along with back of house uses such as mechanical, electrical, transformer vault, trash room, building maintenance and bike storage.</p> <p>Between all 3 buildings, the retail on the ground floors of the buildings will include a grocer, a retail pharmacy, medical offices, and pedestrian retail.</p>	
Location	2201 S Grand Street Seattle, WA 98144	
Project Type	New Construction	
Units	Studio	43
	One Bedroom	113
	Two Bedroom	8
	Three Bedroom	42
	Total	206
Housing Tax Credits	Yes	
Income Set-Aside	70% at 50% AMI 30% at 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Commitments for Priority Populations	20
	Leveraging of Public Resources	6
	Property Type	6
	Location Efficient Projects	3
	Area Targeted by Local Jurisdiction	2
	Transit Development	3
	Community Revitalization Plan	3

High and Very High Opportunity Area	1
Nonprofit Sponsor	3
Donation in Support of Local Nonprofit	8
Solar Options	5
Energy Efficient Building	6
Electric Vehicle Charging Stations	1
Total Points	67

Estimated Tax-Exempt Note Amount (Not to exceed)	\$33,000,000
Taxable Bond Amount	\$10,700,000

Note Structure Private Placement

Permanent Lender Citi Community Capital

Development Budget

Acquisition Costs	\$5,559,171
Construction	\$67,283,006
Soft Costs	\$11,402,421
Financing Costs	\$5,701,488
Capitalized Reserves	\$951,843
Other Development Costs	\$2,624,752
Total Development Costs	\$93,522,681

Permanent Sources

Tax Exempt Bond	\$33,000,000
Seattle OH	\$14,387,806
Deferred Development Fee	\$5,438,885
WA Ecology Healthy Housing Program	\$4,250,000
Tax Credit Equity at \$0.8800 per credit x 10 years	\$36,445,992
Total Permanent Sources	\$93,522,683

Total Development Cost Limit

Project's Total Development Cost Limit	\$71,067,140
Total Development Cost (minus land and reserves)	\$82,006,321
Waiver	Approved

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,405	\$982-\$1,185
One Bedroom	\$1,585	\$1,050-\$1,267
Two Bedroom	\$2,270	\$1,252-\$1,513

Three Bedroom \$2,830 \$1,424-\$1,725

Action Public Hearing for OID# 20-95A

Anticipated Closing Date March 2022



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

WSHFC Staff Use Only

Project Name: Grand Street Commons

Reviewed by: Dan Rothman

Date: 7/12/2021

Recommendation: Approve as Requested

Rationale:

Grand Street Commons exceeds the 2021 Seattle/King County TDC limit by 8.71%, or ~\$6.6M. Mount Baker Housing Association (MBHA) identified the following cost drivers that have caused total project costs to exceed the limit: market escalation; site-related overages; sewer/stormwater related costs; location related costs; contractor profit and overhead and Washington State sales tax; costs associated with required design features; and a letter of credit to secure bonds during construction. Since the total amount of cost drivers submitted by the developer exceeds the amount this project is over the TDC limit, I aggregated a subset of the cost drivers that seemed the most relevant.

There were \$2M in site and location related costs cited by MBHA in their TDC Waiver application. Significant site-work is necessary to begin construction of the proposed building: \$855k for costs associated with over excavation and ground improvements; \$437k to vacate an existing alley (legal, landscape design, consultant and public benefit cost); and \$564k to reroute telecom utilities. MBHA also needed to hire an environmental attorney (\$105k) to administer the cleanup of the site, which is contaminated with dry cleaner PCEs, petroleum, and cadmium and lead.

There were also \$2.3M in costs associated with market escalation: \$1.4M in design contingency carried by MBHA over the course of entitlement, design, and permitting. MBHA also cited increased cost of Builder's Risk insurance due to the Seattle location (\$850k).

Lastly MBHA included design features that that totaled \$3.2M. 10,204 square feet of structured parking containing 30 stalls will be included to better accommodate the family-sized units planned for this project. Additionally, MBHA included energy efficient building systems (\$681k) above what is required by code: 1) an electric heat pump system instead of a gas boiler system; 2) 6-inch exterior walls and triple paned windows to improve the building envelope; and 3) solar to produce greater than 0.28 kWh/SF/Year.

I recommend we approve the amount above the TDC limit as requested.

proved by:

Lisa Vatske

Signature:

Lisa Vatske

Date:

7/12/2021

NOTICE OF PUBLIC HEARING

The Washington State Housing Finance Commission (the “Commission”) will hold an open public hearing with respect to a proposed plan of financing for the issuance by the Commission of one or more series of tax-exempt and/or taxable revenue obligations (the “Notes”) to finance a portion of the costs for the acquisition and new construction of a multifamily housing facility in Renton, Washington, to be owned by GMD Renton LLLP, a Washington limited liability limited partnership. The Notes may be issued as one or more series issued from time to time and may include one or more series of refunding obligations. The public hearing will be held starting at 1:00 p.m., Thursday, January 27, 2022.

Per the Governor’s proclamation regarding the Open Public Meetings Act and Public Records Act (Proclamation 20-28) and due to extraordinary public-health circumstances related to the ongoing COVID-19 (coronavirus) outbreak, participation in this meeting will only be offered virtually.

To join virtually, please go to www.zoom.us, go to “Join a Meeting,” and enter:

**Webinar/Meeting ID: 837 3762 2736
Passcode: 309131**

Participants who wish to participate telephonically, please dial either: 1-(888) 788-0099 or 1-(877) 853-5247 U.S. toll-free

Please note that the line will be muted except during the public hearing and public comment portions of the meeting.

The Notes will be issued pursuant to Chapter 43.180 of the Revised Code of Washington for the purpose of financing a qualified residential rental facility under Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Notes will be used to provide financing for the following project:

Project:	Watershed Renton
Project Address:	615 and 617 Williams Avenue S. Renton, WA 98055
Total Estimated Project Cost:	\$56,138,818
Estimated Maximum Note Amount:	\$48,000,000 (a portion of which may be taxable)

Proceeds of the Notes will be used to provide a portion of the financing for the acquisition, construction, and equipping of a 145-unit multifamily housing facility in Renton, WA, and to pay all or a portion of the costs of issuing the Notes. Each apartment will be a complete and separate dwelling unit consisting of living, eating and sanitation facilities. A percentage of the total units will be set aside for persons or households with low incomes.

This notice is intended to comply with the public notice requirements of Section 147(f) of the Code. Written comments with respect to the plan of finance for the proposed Project and the proposed

Notes may be mailed or faxed to the attention of Jason Hennigan, WSHFC, MHCF Division, 1000 Second Avenue, Suite 2700, Seattle, WA 98104-3601 or to (206) 587-5113, for receipt no later than 5:00 p.m. on Wednesday, January 26, 2022. Public testimony will be heard from all interested members of the public attending the hearing. The Commission will consider the public testimony and written comments in determining if the project will receive funding from tax-exempt and/or taxable obligations. Testimony and written comments regarding land use, zoning and environmental regulation should be directed to the local jurisdiction that is authorized to consider these matters when issuing building permits for the project.

Anyone requiring an accommodation consistent with the Americans with Disabilities Act should contact the MHCF division at (206) 464-7139 or 1-(800) 767-HOME (in state) at least 48 hours in advance of the hearing.

The results of the hearing will be sent to the Governor for approval.

Multifamily Housing Program

Project Name	Watershed Renton	
Developer	GMD Development	
Description	Located in Downtown Renton, units will be set-aside for households earning between 50%-60% area median income. The building will have a rooftop deck with adjacent community room, gym, bicycle storage, media room, and community room. A solar PV array will be installed as well as EV chargers.	
Location	615 Williams Avenue S., 617 Williams Avenue S. Renton, WA 98055	
Project Type	New Construction	
Units	Studio	6
	One Bedroom	77
	Two Bedroom	30
	Three Bedroom	32
	Total	145
Housing Tax Credits	Yes	
Income Set-Aside	70% at 50% AMI, 30% @ 60% AMI	
Regulatory Agreement Term	Minimum 40 years	
Evaluation Plan Scoring	Additional Low-Income Set-Asides	8
	Commitments for Priority Populations	20
	Leveraging of Public Resources	4
	Cost Efficient Development	4
	Property Type	6
	Location Efficient Projects	3
	Area Targeted by Local Jurisdiction	2
	Transit Oriented Development	3
	Community Revitalization Plan	3
	Nonprofit Sponsor	3
	Donation in Support of Local Nonprofit	8
	Energy Efficiency Modeling & Audits	2
	Solar Options	5
	Energy Efficient Building	6
	Electric Vehicle Charging Stations	1
	Total Points	78

Estimated Tax-Exempt Note Amount (Not to exceed) \$48,000,000

Note Structure Private Placement

Permanent Lender Citi Community Capital

Development Budget

Acquisition Costs	\$3,310,000
Construction	\$42,011,784
Soft Costs	\$5,622,746
Financing Costs	\$3,905,713
Capitalized Reserves	\$922,847
Other Development Costs	\$1,867,634
Total Development Costs	\$57,640,724

Permanent Sources

Tax Exempt Bonds	\$23,010,164
Evergreen Impact Fund	\$8,000,000
Deferred Developer Fee	\$2,800,883
Solar Credit Equity	\$29,464
Net Operating Income	\$25,000
General Partner Equity	\$100
Tax Credit Equity at \$0.8900 per credit x 10 years	\$23,775,113
Total Permanent Sources	\$57,640,724

Total Development Cost Limit

Project's Total Development Cost Limit	\$57,640,724
Total Development Cost (minus land and reserves)	\$53,229,127
Waiver	Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,511	\$960 - \$1,163
One Bedroom	\$1,620	\$1,020 - \$1,237
Two Bedroom	\$2,048	\$1,203 - \$1,463
Three Bedroom	\$2,279	\$1,378 - \$1,679

Action Public Hearing for OID# 20-94A

Anticipated Closing Date March 2022

WASHINGTON STATE HOUSING
FINANCE COMMISSION

RESOLUTION NO. 22-26

A RESOLUTION of the Washington State Housing Finance Commission making findings and determinations with respect to housing needs within Washington; approving a program to finance multifamily housing; authorizing the issuance of not to exceed \$37,000,000 of multifamily tax-exempt bonds in two or more series to finance all or a portion of the construction and equipping of a 125-unit multifamily housing facility in Kirkland, Washington, to be owned by Kirkland TWG LLLP; approving the sale of the bonds to KeyBanc Capital Markets Inc.; delegating to the Executive Director of the Commission the authority to execute a final form of bond purchase agreement with KeyBanc Capital Markets Inc.; approving the form of a trust indenture, a financing agreement, a tax certificate and a regulatory agreement; and authorizing the officers and Executive Director of the Commission to amend and execute such documents and other related documents.

APPROVED ON JANUARY 27, 2022

PREPARED BY:

PACIFICA LAW GROUP LLP
1191 Second Avenue, Suite 2000
Seattle, Washington 98101

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* This table of contents is not part of the resolution; it is included for the convenience of the reader only.

RESOLUTION NO. 22-26

A RESOLUTION of the Washington State Housing Finance Commission making findings and determinations with respect to housing needs within Washington; approving a program to finance multifamily housing; authorizing the issuance of not to exceed \$37,000,000 of multifamily tax-exempt bonds in two or more series to finance all or a portion of the construction and equipping of a 125-unit multifamily housing facility in Kirkland, Washington, to be owned by Kirkland TWG LLLP; approving the sale of the bonds to KeyBanc Capital Markets Inc.; delegating to the Executive Director of the Commission the authority to execute a final form of bond purchase agreement with KeyBanc Capital Markets Inc.; approving the form of a trust indenture, a financing agreement, a tax certificate and a regulatory agreement; and authorizing the officers and Executive Director of the Commission to amend and execute such documents and other related documents.

WHEREAS, the Washington State Housing Finance Commission, a public body corporate and politic of the State of Washington (the “Commission”) has been duly constituted pursuant to the authority and procedures of Laws of 1983, Chapter 161 of the State of Washington, as amended, now codified at RCW 43.180 et seq. (the “Act”); and

WHEREAS, the legislature of the State of Washington (the “State”) has declared it to be a public policy of the State and a recognized governmental function to assist in making affordable and decent housing available throughout the state; and

WHEREAS, the Commission has previously found and determined that many persons and households in the state continue to be unable to rent safe and sanitary housing in the areas in which they reside at an affordable cost to them; and

WHEREAS, the Act authorizes the Commission to participate fully in federal and governmental programs to secure for itself and the people of the State the benefits of such programs; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the “Code”), grants an exemption from federal income tax for interest paid on obligations where the proceeds thereof are used to finance multifamily housing facilities meeting the requirements of the Code; and

WHEREAS, the Commission adopted a Housing Finance Plan (the “Plan”) on December 12, 2019, following public notice and hearings as required by the Act; and

WHEREAS, KeyBank National Association (the “Bond Lender”), offered to originate two qualified loans in the aggregate principal amount of not to exceed \$37,000,000 (together, the “Bond Loan”) to Kirkland TWG LLLP, a Washington limited liability limited partnership (the “Owner”), to finance a portion of the construction and equipping of a 125-unit housing facility in Kirkland, Washington (the “Project”) to be owned and operated by the Owner and to pay costs of issuing the Bonds (as hereinafter defined), and to assign the Bond Loan to U.S. Bank National Association (the “Trustee”) on behalf of the Commission; and

WHEREAS, the Owner has requested that the Commission issue its Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Grata at Totem Lake Apartments Project), Series 2022A (FN), and its Multifamily Housing Revenue Bonds (Grata at Totem Lake Apartments Project), Series 2022B (together, the “Bonds”), in two or more series and in the aggregate principal amount of not to exceed \$37,000,000, and use the proceeds thereof to finance a portion of the construction and equipping of the Project; and

WHEREAS, the Bonds will be publicly sold and are expected to be rated “AA+” by Moody’s Investors Service, Inc., and will be secured by (a) initially, cash-funded collateral accounts held by the Trustee, funded from time to time with a portion of the proceeds of two mortgage loans from KeyBank National Association, and other available, bankruptcy-remote funds as permitted by the Indenture (as defined below), and (b) upon the occurrence of certain

conditions, one or more mortgage-backed securities guaranteed as to timely payment of principal and interest by the Federal National Mortgage Association, which mortgage-backed securities will be acquired by the Trustee with the amounts then on deposit as collateral for the Bonds; and

WHEREAS, the Commission has given preliminary approval to the Project by Official Intent Declaration No. 20-78A, the Commission held a public hearing with respect to the Project on November 18, 2021, and the Governor approved the Project and the Bonds on December 7, 2021; and

WHEREAS, the Commission has received a form of bond purchase agreement (the “Bond Purchase Agreement”) from KeyBanc Capital Markets Inc. (the “Underwriter”) to purchase the Bonds in whole; and

NOW, THEREFORE, BE IT RESOLVED by the Washington State Housing Finance Commission as follows:

Section 1. Definitions. Unless otherwise defined in this resolution, capitalized terms used herein shall have the meanings set forth in the following documents filed with the Commission: the Indenture of Trust between the Commission and the Trustee (the “Indenture”); the Financing Agreement among the Commission, the Owner, the Bond Lender and the Trustee (the “Financing Agreement”); a Regulatory Agreement between the Commission and the Owner (the “Regulatory Agreement”); the Non-Arbitrage Certificate of the Commission (the “Tax Certificate”); and the form of Bond Purchase Agreement among the Commission, the Owner and the Underwriter.

Section 2. Findings. The Commission hereby ratifies its prior findings that there are a substantial number of persons and households in the state who are unable to rent apartments in various parts of the state or the rents required are substantially in excess of the available income

of such persons or households. As a result, many persons and households are unable to rent safe and sanitary housing at a reasonable cost without financial assistance. A principal reason that the cost of renting apartments is not affordable for such persons and households is the interest rate on mortgage loans used to acquire, construct and rehabilitate multifamily rental projects. The provision of lower interest rate loans will encourage developers to acquire, construct and rehabilitate projects which will make additional units available to persons and households at affordable cost and will act as a significant stimulant to the economy of the State.

Section 3. Multifamily Program. The Commission hereby ratifies, affirms and adopts its program to finance the acquisition of multifamily mortgage loans on eligible multifamily projects through the issuance of nonrecourse multifamily mortgage revenue bonds (the “Program”). The Commission hereby finds and determines that the Program and the Bonds are in furtherance of the Act and the Plan.

Section 4. Governmental Program. The Commission hereby ratifies and affirms its authority to participate fully in federal and other governmental programs in order to secure for itself and the people of the State the benefits of such programs. The Commission hereby finds and determines that the proposed financing and issuance of the Bonds are in furtherance of the Act and the Plan.

Section 5. Authorization of Bonds. The Commission hereby authorizes the issuance and sale of its bonds to be designated “Multifamily Tax-Exempt Mortgage-Backed Bonds (M-TEBS) (Grata at Totem Lake Apartments Project), Series 2022A (FN)” and “Multifamily Housing Revenue Bonds (Grata at Totem Lake Apartments Project), Series 2022B” in two or more series, with appropriate series designation, and in an aggregate principal amount of not to

exceed \$37,000,000, pursuant to and in accordance with the provisions of the Act, the Code, and the Indenture.

Section 6. Approval of Documents. It is hereby found and determined that the Indenture, the Financing Agreement, the Regulatory Agreement and the Tax Certificate conform to the requirements of the Act and the Code and provide for the maximum available security for the Bonds consistent with the Act and the Code.

The Indenture, Financing Agreement, Regulatory Agreement, and Tax Certificate are hereby approved in substantially the forms filed with the Commission. The Chair, Vice Chair, Secretary or his designee, Executive Director or the Treasurer of the Commission are each authorized to execute such documents, the documents contemplated therein, and any other necessary documents or certificates on its behalf including the final offering document, and to do all things necessary on its behalf to proceed with the issuance, sale and delivery of the Bonds as authorized herein. Only one signature is required to bind the Commission. Such officers, the Executive Director or the Secretary's designee are each authorized to approve such changes in these documents as are recommended by counsel to the Commission that are in furtherance of the Program and which do not materially increase the obligations of the Commission as described in such documents on file with the Commission. The Executive Director is hereby authorized to execute documents and certificates on behalf of the Commission as are required for the issuance, sale and delivery of the Bonds including, but not limited to, certificates required by the securities laws of various states and the United States of America. The designee of the Secretary may execute documents on behalf of the Secretary, and all prior acts of such designee on behalf of the Secretary are hereby ratified and confirmed.

Section 7. Sale of the Bonds. The Commission hereby authorizes and approves the sale of the Bonds to KeyBanc Capital Markets Inc., an underwriter listed on its roster of approved underwriting firms as described in RCW 43.180.100, in accordance with the terms and conditions set forth in the Bond Purchase Agreement. The Commission hereby delegates to the Executive Director the authority to execute the Bond Purchase Agreement on behalf of the Commission in substantially the form filed with the Commission, subject to the following limitations: (a) the aggregate principal amount of the Bonds does not exceed \$37,000,000; (b) the initial interest rate on the Bonds does not exceed 5.00%; (c) the Bond Purchase Agreement is executed prior to April 30, 2022; and (d) the final terms of the Bond Purchase Agreement are otherwise in furtherance of the Act and the Plan.

Section 8. Executive Director. The Deputy Director or an alternate designee is hereby authorized to act on behalf of the Executive Director for all purposes of this Resolution if it is necessary or desirable to accomplish the purposes hereof.

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Section 9. Effective Date. This resolution shall become effective immediately after its adoption and signature by the Chair and attestation by the Secretary of the Commission or his designee and when effective shall act to ratify and confirm all acts taken previously in furtherance of and consistent with this resolution.

ADOPTED at a special meeting duly noticed and called this 27th day of January, 2022.

WASHINGTON STATE HOUSING
FINANCE COMMISSION

By _____
Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

General Counsel

Multifamily Housing Program

Project Name	Grata at Totem Lake 4%												
Developer	TWG Development, LLC												
Description	<p>Grata at Totem Lake is a partnership with LifeWire, who will provide safety for victims of domestic violence including many children. LifeWire will provide domestic violence advocacy services including 1-1 advocacy sessions, emotional support, safety planning, systems-based advocacy, housing stability support, legal support, support groups, mental health services, and referrals to other services and supports as needed. All these services are free and voluntary. Services are funded through the project operating budget. LifeWire provides services using a Domestic Violence Housing-First Model, which provides stabilization for housing in conjunction with mental-health, safety planning and supportive services. LifeWire services are provided under a trauma-informed advocacy model and driven by the choices and needs of survivors. All our services are free and voluntary. These models have been research-tested to promote housing stability for survivors of domestic violence.</p>												
Location	12410 NE Totem Lake Way Kirkland, WA 98034												
Project Type	New Construction												
Units	<table><tr><td>Studio</td><td>25</td></tr><tr><td>One Bedroom</td><td>65</td></tr><tr><td>Two Bedroom</td><td>10</td></tr><tr><td>Three Bedroom</td><td>20</td></tr><tr><td>Four Bedroom</td><td>5</td></tr><tr><td>Total</td><td>125</td></tr></table>	Studio	25	One Bedroom	65	Two Bedroom	10	Three Bedroom	20	Four Bedroom	5	Total	125
Studio	25												
One Bedroom	65												
Two Bedroom	10												
Three Bedroom	20												
Four Bedroom	5												
Total	125												
Housing Tax Credits	Yes												
Income Set-Aside	100% at 50% AMI												
Regulatory Agreement Term	Minimum 45 years												

Evaluation Plan Scoring	Additional Low-Income Set-Asides	10
	Commitments for Priority Populations	20
	Leveraging of Public Resources	6
	Cost Efficient Development	5
	Property Type	3
	Location Efficient Projects	3
	Area Targeted by Local Jurisdiction	2
	Transit Development	3
	Community Revitalization Plan	3
	High and Very High Opportunity Area	1
	Nonprofit Sponsor	3
	Donation in Support of Local Nonprofit	8
	Solar Options	5
	Energy Efficient Modeling	2
	Energy Efficient Building	6
	Electric Vehicle Charging Stations	1
	Total Points	81

Estimated Tax-Exempt Note Amount (not to exceed) \$37,000,000

Note Structure Public Sale

Permanent Lender KeyBanc Capital Markets

Underwriter Fannie Mae

Development Budget

Acquisition Costs	\$3,015,211
Construction	\$28,269,037
Soft Costs	\$6,724,200
Financing Costs	\$2,271,488
Capitalized Reserves	\$827,700
Other Development Costs	\$933,312
Total Development Costs	\$42,040,948

Permanent Sources

Perm Loan	\$16,860,000
Evergreen	\$5,000,000
Impact Loan	\$2,050,857
Tax Credit Equity at \$0.9500 per credit x 10 years	\$18,130,095
Total Permanent Sources	\$42,040,952

Total Development Cost Limit

Project's Total Development Cost Limit \$43,458,015

Total Development Cost (minus land and reserves)

\$38,073,248

Waiver

Not required

Project Operations

<i>Unit Size</i>	<i>Market Rents</i>	<i>Proposed Rent Range</i>
Studio	\$1,525	\$1,045
One Bedroom	\$1,675	\$1,120
Two Bedroom	\$1,875	\$1,343
Three Bedroom	\$2,175	\$1,552
Four Bedroom	\$2,893	\$1,662

Action

Approval of Resolution No. 22-26

Anticipated Closing Date

February 2022



Memorandum

To: Commissioners
From: Lisa Vatske
CC: Steve Walker
Date: January 18, 2022
Re: Proposed Bond Cap alignment and set-aside for Sound Transit sites

Updates from November briefing:

This proposal is being modified to be clear that projects allocated bond cap on this track would be inclusive of the targets set for the competitive bond round. Projects would be on a separate path for allocation based on readiness and the Sound Transit Request for Proposal (RFP) process, but the math for the targets for the competitive allocation round would include the Sound Transit projects scheduled in that year for an allocation. This proposal would include the projects funded through a separate allocation track in the targets set for the competitive round, maintaining the original intent and goals reflected in the program outcomes.

Opportunity and Impact

RCW 81.112.350 and Sound Transit's Equitable TOD Policy direct Sound Transit to support the development of affordable housing by offering at least 80% of Sound Transit surplus property (unless certain exceptions apply) that is suitable for development as housing first to local jurisdictions, housing authorities, and non-profit developers for the creation of affordable housing. Sound Transit has identified at least five to seven sites with the potential of the creation of 800-1200 units that could be developed in the next six years. This represents a significant need for leverage and financing for this to come to fruition.

A long-standing value and part of the ongoing discussions regarding priority for bond cap, is the need to have developments located near transit. Discussions with Sound Transit staff, stakeholders and public funders have identified the considerable number of resources that will be needed to align to ensure there is equitable and affordable development at these sites. The

need and opportunity to provide predictability, lower costs and align the financing as early in the process as possible is at the core of this proposal. This also helps to inform, address, and reduce disruption to the ongoing competitive pipeline.

Proposal

In coordination and through an MOU, staff is proposing to “set-aside” up to \$200 million of bond cap allocation over a five-year period. Bond cap would be “reserved” as part of the RFP process for each of the sites and then accessed or utilized on a rolling basis later upon the financing closing. This would be managed like how the Housing Authority and PDA allocation is handled. Projects are on a list and get an allocation based on readiness and ability to proceed to closing. No more than half of the allocation would be available in any one year. Although there are already two sites that have been solicited and developers determined, there is a schedule of upcoming solicitations in the next several years, that Commission staff would be included in. All projects will need to meet the threshold bond cap criteria.

Current site criteria include:

- Within the Sound Transit geographic boundaries which currently include King and Snohomish, with potential for expansion into Pierce.
- Construction starts between 2023 and 2026
- ¼ mile from the transit station
- Locations where the local jurisdiction is already supportive of affordable housing and there are multiple pads available for the build out of affordable housing
- Significantly discounted land and lower developer provided infrastructure is being leveraged

Although this proposal is being designated for Sound Transit sites only at this time, this opportunity could be expanded in the future to other jurisdictions that could meet the criteria and represent a significant investment of public infrastructure investment.

This proposal seeks to support the following outcomes:

- Provide a strategic and intentional path to advance state, regional and local policies and investments that prioritize affordable housing on public land and near transit
- Provide certainty for developers and expedite projects by alignment of resources and staging of development as part of the RFP process
- Create additional leveraging opportunities by demonstrating public sector commitment

Next steps:

An action item is scheduled for the January meeting authorizing the Executive Director to enter into an MOU with Sound Transit outlining the agreement and process. If approved at the January meeting, staff will amend and finalize the draft MOU to reflect these changes and work to implement this new process with upcoming RFP's.

PURCHASE PRICE LIMITS-2022

County	Current Limit for Non-Target	Current Limit for Target	2022-FHA Loan Limit		FHA Median Average Area Purchase Price	IRS Allowable Limit for Non-Target	IRS Allowable Limit for Target	3rd Quarter 2021 WCRER Median Home Prices	2022 Proposed Purchase Price Limit for Non-Target	2022 Proposed Purchase Price Limit for Target
JEFFERSON	\$ 305,000.00	n/a	\$ 420,680.00	1.03	\$ 408,427.18	\$367,584.47	\$449,269.90	\$ 618,100.00	\$ 360,000.00	n/a
ALL OTHER COUNTIES	\$ 305,000.00	\$ 350,000.00	\$ 420,680.00	1.03	\$ 408,427.18	\$367,584.47	\$449,269.90	n/a	\$ 360,000.00	\$ 400,000.00
CHELAN	\$ 305,000.00	\$ 350,000.00	\$ 420,680.00	1.03	\$ 408,427.18	\$367,584.47	\$449,269.90	\$ 541,200.00	\$ 360,000.00	\$ 400,000.00
DOUGLAS	\$ 305,000.00	\$ 350,000.00	\$ 420,680.00	1.03	\$ 408,427.18	\$367,584.47	\$449,269.90	\$ 455,200.00	\$ 360,000.00	\$ 400,000.00
CLALLAM	\$ 325,000.00	\$ 350,000.00	\$ 420,680.00	1.03	\$ 408,427.18	\$367,584.47	\$449,269.90	\$ 425,700.00	\$ 360,000.00	\$ 400,000.00
SKAGIT	\$ 350,000.00	n/a	\$ 473,800.00	1.03	\$ 460,000.00	\$414,000.00	\$506,000.00	\$ 510,800.00	\$ 400,000.00	n/a
THURSTON	\$ 350,000.00	\$ 430,000.00	\$ 477,250.00	1.03	\$ 463,349.51	\$417,014.56	\$509,684.47	\$ 472,600.00	\$ 400,000.00	\$ 475,000.00
ISLAND	\$ 350,000.00	\$ 430,000.00	\$ 511,750.00	1.03	\$ 496,844.66	\$447,160.19	\$546,529.13	\$ 550,800.00	\$ 400,000.00	\$ 475,000.00
KITSAP	\$ 375,000.00	\$ 450,000.00	\$ 497,950.00	1.03	\$ 483,446.60	\$435,101.94	\$531,791.26	\$ 512,700.00	\$ 425,000.00	\$ 500,000.00
WHATCOM	\$ 380,000.00	\$ 450,000.00	\$ 514,050.00	1.03	\$ 499,077.67	\$449,169.90	\$548,985.44	\$ 562,000.00	\$ 425,000.00	\$ 500,000.00
SAN JUAN	\$ 425,000.00	\$ 480,000.00	\$ 497,950.00	1.03	\$ 483,446.60	\$435,101.94	\$531,791.26	\$ 887,500.00	\$ 425,000.00	\$ 480,000.00
CLARK	\$ 445,000.00	\$ 490,000.00	\$ 598,000.00	1.03	\$ 580,582.52	\$522,524.27	\$638,640.78	\$ 491,400.00	\$ 500,000.00	\$ 550,000.00
SKAMANIA	\$ 445,000.00	\$ 490,000.00	\$ 598,000.00	1.03	\$ 580,582.52	\$522,524.27	\$638,640.78	\$ 431,200.00	\$ 500,000.00	\$ 550,000.00
KING	\$ 620,000.00	\$ 675,000.00	\$ 891,250.00	1.03	\$ 865,291.26	\$778,762.14	\$951,820.39	\$ 856,700.00	\$ 675,000.00	\$ 750,000.00
PIERCE	\$ 620,000.00	\$ 675,000.00	\$ 891,250.00	1.03	\$ 865,291.26	\$778,762.14	\$951,820.39	\$ 517,500.00	\$ 675,000.00	\$ 750,000.00
SNOHOMISH	\$ 620,000.00	\$ 675,000.00	\$ 891,250.00	1.03	\$ 865,291.26	\$778,762.14	\$951,820.39	\$ 685,400.00	\$ 675,000.00	\$ 750,000.00

Washington State Housing Finance Commission
Homeownership Programs
Fiscal Year Loan Production
July 1, 2021 - December 31, 2021

**Fiscal Year Goal - 7,500 households purchase an affordable home using the Home Adv/HK programs.*

Percentage of Goal reached YTD - 49.2%

HOME ADVANTAGE			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	508	\$ 176,974,667	26.7%
Conventional FHLMC	56	\$ 18,671,069	26.8%
Government	2848	\$ 1,018,297,542	31.8%
Energy Spark	2	\$ 608,218	100.0%
Total	3414	\$ 1,214,551,496	30.9%

HOUSE KEY OPPORTUNITY			
	Loans	\$ Volume	% Households of Color
Conventional FNMA	146	\$ 37,361,439	34.3%
Conventional FHLMC	15	\$ 3,388,593	26.7%
Government	116	\$ 32,697,580	37.9%
Total	277	\$ 73,447,612	38.9%

DOWNPAYMENT ASSISTANCE			
	Loans	\$ Volume	% Households of Color
Home Adv 0%	3332	\$ 47,515,206	30.6%
Home Adv Needs Based 1%	36	\$ 345,032	44.4%
Opportunity	257	\$ 3,457,439	38.2%
HomeChoice	12	\$ 177,693	33.3%
Bellingham	4	\$ 160,000	50.0%
East King County	1	\$ 30,000	100.0%
Pierce County			
Seattle	1	\$ 55,000	0.0%
Tacoma	1	\$ 20,000	0.0%
University of WA	2	\$ 169,995	50.0%
Veterans			
CLT			
Total	3646	\$ 51,930,365	31.3%

Washington State Housing Finance Commission/Homeownership Division
 Counseling & Grants:
 Default Counseling, Pre-Purchase and Other Homeowner Assistance
Report for December 2021

Grant Name/ Description/Service Area	Granting Entity	Subgrantees/ Partners	Clients Served to Date	Grant Amount/Date	Amount Disbursed to Date	Balance Remaining	Grant Expiration
HUD SuperNOFA 2020 Default and Pre-Purchase Counseling. Service Area: Statewide	Department of Housing and Urban Development	AFS; CVH; KCLT; OIC; OPAL; Parkview; RRCA; SNAP	660	\$426,202 2020	\$213,230	\$212,972	3/31/2022
SW CARES Default Housing Counseling. Service Area: Statewide	Department of Commerce	WHRC; AFS; OIC; NJP; Parkview; RRCA; SNAP; ULMS	6,360	\$3,900,000 July, 2020	\$3,448,050	\$268,293	12/31/2021
Foreclosure Fairness Act Default Housing Counseling and Mediation. Service Area: Statewide	Department of Commerce	WHRC; AFS; NJP; Parkview; RRCA; SNAP; ULMS	3,550	\$1,400,000 July, 2019	\$891,660	\$508,340	6/30/2023
King County Veterans, Seniors & Human Services Levy (VSHSL) Veteran's and Senior's housing assistance. Service Area: King County	King County	WHRC; AFS; Parkview; ULMS	335	\$224,009 2021	\$200,969	\$23,040	12/31/2021

AFS – American Financial Solutions CVH – Columbia Valley Affordable Homeownership KCLT – Kulshan Community Land Trust NJP – Northwest Justice Project OPAL – Opal Community Land Trust	OIC – Opportunities Industrialization Center Parkview – Parkview Services RRCA – Rural Resources Community Action SNAP – Spokane Neighborhood Action Partners WHRC – Washington Homeownership Resource Center
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HOMEOWNERSHIP PROGRAMS

HOMEBUYER EDUCATION PRODUCTION and HOME LOAN TRAINING

July 1, 2021 - December 31, 2021

HOMEBUYER CLASS

Fiscal year goal - 800 classes, 8,000 participants by June 30, 2022

Percentage of goal reached YTD: 70%

	Classes	Participants
Virtual:	133	775
In-Person:	0	0
Online Classes:	4,745	4,745
Total:	4,878	5,520

Classes not yet reporting participation: 614

Data lags 3 months due to data collection process

In-Person and Virtual All-Time Totals 1992 to Present

Classes:	25,912
Participants	207,232

PROGRAM TRAINING ATTENDEES

Fiscal year goal - 10 Instructor classes by June 30, 2022

Percentage of goal reached YTD: 60%

Month	Classes	Attendees
July	1	31
August	1	37
September	1	33
October	1	43
November	1	40
December	1	40
January		
February		
March		
April		
May		
June		
Total:	6	224

WASHINGTON STATE HOUSING FINANCE COMMISSION
9% Housing Tax Credit Program
2022 Allocation List

Final Allocation amounts may change if new Federal resources are made available.

King County Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
22-10	Application	Good Shepard Housing	Low Income Housing Institute (LIHI)	Seattle	King County	190	\$ 25,760	\$ 2,163,829	84	50%	25%		25%	0	0	0	0	0	63
22-08	Application	Horizon Housing at Totem Lake	Horizon Housing Alliance of Washington	Kirkland	King County	189	\$ 26,576	\$ 1,063,040	40	50%		50%		0	0	0	0	0	30
22-20	Application	DESC Woodland	Downtown Emergency Service Center	Seattle	King County	187	\$ 21,636	\$ 2,163,612	100	50%		50%		0	0	0	0	0	75
22-12	Application	DESC Burien Supportive	Downtown Emergency Service Center	Burien	King County	186	\$ 22,540	\$ 2,141,260	95	50%		50%		0	0	0	0	0	68
King County Credit Allocated:									319					0	0	0	0	0	236
King County Credit Available:									\$5,604,334										
Balance:														(\$1,927,407)					

King County Waiting List

22-07	Application	Ballard PSH*	Plymouth Housing Group	Seattle	King County	190	\$ 14,815	\$ 1,200,000	81	50%		50%		0	0	0	0	0	61
22-21	Application	South Park Housing	Sea Mar Community Health Centers	Seattle	King County	164	\$ 26,576	\$ 2,046,352	77	50%		50%		0	16	0	0	0	16
22-22	Application	SeaMar Kent Housing	Sea Mar Community Health Centers	Kent	King County	163	\$ 26,576	\$ 823,856	31	50%		50%		0	0	0	0	7	7
King Waiting List Balance:									\$ 4,070,208	189					0	16	0	7	84

Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations					
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless	
										Final Allocation amount may change based on new Federal legislation									
										Preservation and Recapitalization Pool									
										\$0 0 0 0 0 0 0 0 0 0									
										New Production									
22-11	Application	Edmonds Lutheran	Housing Hope	Edmonds	Snohomish	170	\$ 27,852	\$ 1,448,295	52	50%		50%		0	0	0	0	0	26
22-16	Application	Laurel Manor	Columbia Non-Profit Housing	Vancouver	Clark	167	\$ 26,388	\$ 2,163,816	82	50%		50%		0	0	0	0	0	17
22-04	Application	Highland Village Phase 2	Community Frameworks	Airway Heights	Spokane	164	\$ 28,621	\$ 1,402,427	49	50%	10%		40%	0	10	0	0	10	0
22-09	Application	Laurel & Forest	Opportunity Council	Bellingham	Whatcom	163	\$ 27,640	\$ 1,547,840	56	50%		50%		0	0	0	56	12	0
22-17	Application	Shiloh Redevelopment	New Life Housing/Shiloh Baptist Church	Tacoma	Pierce	161	\$ 26,576	\$ 1,594,560	60	50%		50%		0	0	0	0	12	12
Total Metro Credit Allocated:									299					0	10	56	34	55	
Metro Credit Available:									\$6,554,379										
Metro Balance (Total):														(\$1,602,559)					

Metro Wait List

										Metro Waiting List Balance:										
										\$0	0					0	0	0	0	0

Non-Metro Pool (November 2021 application round)

TC#	Project Status	Project Name	Project Sponsor	City	County	Points	Credit/Unit	Credit Request	Total Low-Income Units	% of Low-Income Housing Units				Units for Priority Populations				
										30% AMI	40% AMI	50% AMI	60% AMI	Farm workers	Large Households	Elderly	Persons with Disabilities	Homeless

Preservation and Recapitalization Pool																				
										Non-Metro Rehab Credit Allocated:		\$0	0			0	0	0	0	0

New Production

22-23	Application	Colville Family Haven	Catholic Housing Services of Eastern WA	Colville	Stevens	187	\$ 26,021	\$1,821,481	70	50%	10%		40%						35		
22-01	Application	Fruitvale Housing	The Housing Authority of the City of Yakima	Yakima	Yakima	185	\$ 23,767	\$1,283,411	54	50%	10%		40%						27		
22-24	Application	Martin Way Phase 2	Low Income Housing Institute	Olympia	Thurston	180	\$ 27,640	\$1,741,320	63	50%		50%							32		
										Non-Metro Credit Allocated:		\$4,846,212	187			0	0	0	0	94	
										Non-Metro Credit Available:		\$3,739,686									
										Non-Metro Balance:		(\$1,106,526)									

Non-Metro Wait List

22-06	Application	The Cape at Interlake	MacDonald Ladd/Trillium Housing Services	Moses Lake	Grant	178	\$ 26,041	\$1,536,440	59	10%	50%	40%		45						
22-14	Application	CCHS Grant County Preservation	Catholic Charities Housing Services	Scattered Site	Grant	172	\$ 13,872	\$1,290,104	93	10%	50%	40%		70						
22-13	Application	Othello Permanent Farmworker Housing	Othello Housing Authority	Othello	Adams	171	\$ 17,579	\$703,152	40	10%	50%	40%		30						
22-18	Application	Teanaway Court	HopeSource	Cle Elum	Kittitas	171	\$ 28,206	\$1,353,874	48	50%		50%							24	
22-19	Application	Orchard II	Trillium Housing Services	Mattawa	Grant	170	\$ 21,277	\$1,000,000	47	10%	50%	40%		36						
22-15	Application	Willow Grove	Kelso Housing Authority	Kelso	Cowlitz	169	\$ 26,514	\$848,432	32	10%	50%	40%							16	
22-05	Application	Sunrise Village	Longview Housing Auth/HOSWWA	Longview	Cowlitz	169	\$ 27,403	\$1,233,138	45	50%	30%		40%						23	
22-25	Application	Hilltop II	Trillium Housing Services	Wenatchee	Chelan	166	\$ 26,966	\$1,537,054	57	10%	50%	40%							43	
										Non-Metro Waiting List Balance:		\$9,502,194	515			181	0	0	0	106

Statewide Allocation Round Totals:										Total Project Applications: 23		Total Credit Requested: \$34,107,293		1,509			181	26	56	41	575	
										Total Projects Above Line: 12		Total Credit Above Line: \$20,534,891		805			0	10	56	34	385	
										Application Success Percentage: 52%		Total Credit Available: \$15,898,400										
												Statewide FWD Commit: (\$4,636,491)										

Final Allocation amounts may change if new Federal resources are made available.
 Ballard is being funded with other Public Funds.

9% Housing Tax Credit Program Credit Summary

	Per Capita Rate		Credit
State Credit Authority			
2022 Per Capita Credit (IRS Notice Pending)	7,738,692	2.60000	\$ 20,120,599
			\$ -
2022 National Pool Credit (IRS Revenue Procedure 21-44)			\$ -
Total 2022 Credit Authority			\$ 20,120,599
Total 2022 Credit Authority for Geographic Credit Pool Division			\$ 20,120,599
Less 2021 Forward Commitment	Taken From Pools Below		\$ (4,222,200)
King County			
35% of Total Credit Authority	35%		\$ 7,042,210
less 2021 KC fwd allocation of 2022 KC Credit			\$ (1,437,876)
plus KC Returned Credit			
Credit Allocated			\$ (7,531,741)
King County Balance			\$ (1,927,407)
Metro Credit			
37% of Total Credit Authority	37%		\$ 7,444,622
less 2021 Metro FWD allocation of 2022 Metro Credit			\$ (890,242)
plus Metro Returned Credit			
Credit Allocated			\$ (8,156,938)
Metro Balance			\$ (1,602,559)
Non-Metro Credit			
28% of Total Credit Authority	28%		\$ 5,633,768
less 2021 NM FWD allocation of 2022 NM Credit			\$ (1,894,082)
plus NM Returned Credit			\$ -
Credit Allocated			\$ (4,846,212)
Non-Metro Balance			\$ (1,106,526)
Metro Pool per County Limit 35% of Pool Authority			\$ 2,605,618
Non Metro Pool per County Limit (35% of Pool Authority)			\$ 1,971,819
Statewide Accounting of 2021 Credit			
Total 2022 Credit Authority			\$ 20,120,599
2021 Unused Credit			\$ -
2021 King County Forward Commitment			\$ (1,437,876)
2021 Metro Forward Commitment			\$ (890,242)
2021 Non-Metro Forward Commitment			\$ (1,894,082)
Returned Credit from King County			
Returned Credit from Metro Pool			
Returned Credit from Non-Metro Pool			\$ -
Credit Allocated to King County			\$ (7,531,741)
Credit Allocated to Metro			\$ (8,156,938)
Credit Allocated to Non-Metro			\$ (4,846,212)
Balance of 2021 Credit			\$ (4,636,491)
% of credit authority forward committed			23.04%
Qualified Nonprofit Allocations			
Total 2021 Credit Authority for Geographic Credit Pool Division			\$ 20,120,599
2021 Unused Credit			\$ -
Returned Credit from King County			
Returned Credit from Metro Pool			
Returned Credit from Non-Metro Pool			\$ -
Total 2021 Credit Authority for QNP Requirement			\$ 20,120,599
Credit Allocated to QNPs			\$ 3,612,124
Percent allocated to QNPs			17.95%
	Good Shepard Housing	\$ 2,163,829	
	Edmonds Lutheran	\$ 1,448,295	
Forward Commitment RAC's of 2022 credit			
	DESC Burien Supportive		\$ 2,141,260
	Shiloh Redevelopment		\$ 1,594,560
	Laurel & Forest		\$ 1,547,840
	0		\$ -
	Total		\$ 6,878,220
Summary for 8610			
2022 Per Capita Credit			\$ 20,120,599
2022 National Pool Credit			\$ -
2022 Returned Credit			\$ -
Less forward Commitment from 2021			\$ (4,222,200)
TOTAL credit to allocate			\$ 15,898,400
2022 credit allocated (all pools)			\$20,534,891
Forward commitment of 2022 credit			\$ (4,636,491)

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: December 2021

The Asset Management & Compliance Division is charged with ensuring the long-term viability of Commission financed or assisted projects. This is accomplished through project compliance monitoring efforts and training of program users.

PROGRAM PURPOSE: To ensure that the public benefits of all Commission housing programs are fulfilled.

BUSINESS OBJECTIVE: Review 100% of compliance annual reports within 12 months from report receipt dates and issue compliance status letters.

Within the 12-month period, staff will:

- review Owner's Annual Certification and other reporting materials for every project.
- review resident certification packages for 5% - 20% (depending on type of review year) of the units in each project.
- notify the Internal Revenue Service of any noncompliance discovered in tax credit assisted projects.
- notify the Multifamily Housing division of any significant noncompliance issues.

Tax Credit Reports *

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	0	41	73	104	132	118	69	83	117	91	115	76	1,019	1,010	101%

Calendar Year 2020	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	13	36	170	155	149	111	91	68	62	50	62	30	997	990	101%

Tax credit reports are due January 31st of every year for the previous calendar year.

Bond Reports **

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	32	40	5	0	0	0	0	0	0	0	0	0	77	75	103%

Calendar Year 2020	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
REPORTS REVIEWED	59	19	2	1	3	0	1	0	0	0	1	0	86	85	101%

Bond reports are due January 7th of every year for the previous calendar year.

Notes: * Tax credit reporting bridges two fiscal program years.

** Goal total for bonds indicates both bond property annual reports and initial reports for Acquisition-Rehab bonds and New Construction bonds quarterly reporting as needed. New properties with both bonds and tax credits are reviewed as bonds until placed in service, then converted to tax credits for annual reviews.

ASSET MANAGEMENT & COMPLIANCE ACTIVITY REPORT

REPORTING MONTH: December 2021

BUSINESS OBJECTIVE: *Complete on-site review of 33^{1/3}% of all projects by December 31, 2021.*

Within the 12-month calendar year, the Commission will:

- conduct on-site inspections of 33^{1/3}% of projects monitored according to HUD’s Uniform Physical Conditions Standards.
- inspect 20% of all low-income units for health and safety issues.
- notify the Internal Revenue Service of any project noncompliance discovered through the inspections.

Project Inspections

Calendar Year 2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	0	360	0%

Calendar Year 2020	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	GOAL	% COMPLETED
ON-SITES COMPLETED	40	30	0**	0**	0**	0**	0**	0**	0**	0**	0**	0**	70	360	19%

**All physical inspections have been suspended due to the COVID-19 pandemic, on the authority of IRS Notice 2020-53, effective July 1, 2020, which waives the requirement for housing finance agencies to perform physical inspections through December 31, 2020. IRS issued an additional inspection waiver with IRS Notice 2021-12, which extends the inspection waiver through September 30, 2021. Note that IRS issued new guidance January 2022 extending the inspection waiver through December 31, 2022.

NOTE: Cumulative totals for all goals may be greater or lesser than goal totals as new projects are coming on-line throughout the year; placed in service dates for projects can move forward or be delayed, affecting the number of reports and/or inspections that need to be completed each year. Inspections are sometimes canceled due to delayed placed in service dates or for other reasons. Monthly numbers may also change based on new information from other funders with whom we share inspection tasks, such as Rural Development, the Department of Housing and Urban Development, the State Department of Commerce, the City of Tacoma and the City of Seattle.

COMPLIANCE TRAININGS: The next Tax Credit Compliance Workshops are scheduled for:
February 8-11, 2022 (Online)

The next Bond Compliance Workshop is scheduled for:

Online Bond class was conducted October 12-13, 2021. A recorded version of the class is available on our website.

TAB 12

Financial Statements as of
December 31, 2021 to be sent
separately via email before the
meeting

Financial Statements as of
November 30, 2021, included behind
this sheet



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Bill Rumpf
Chair
Steve Walker
Executive Director

December 7, 2021

Commissioners
Washington State Housing Finance Commission
Seattle, Washington

We have compiled the UNAUDITED statement of Net Position of the Washington State Housing Finance Commission (the "Commission") General Operating Fund, as of November 30, 2021 and the related statement of Activities and Changes in Net Position for the month ended in accordance with generally accepted accounting principles.

This compilation is limited to presenting, in the form of financial statements, information that is accurate to the best of our knowledge and belief. These statements have not been audited or reviewed by an independent third party.

We have elected to omit substantially all of the disclosures required by generally accepted accounting principles including the statement of cash flow. If the omitted disclosures were included in the financial statements, they might influence the users' conclusions about the Commission's financial position, results of operations and changes in financial position. Accordingly, these financial statements are not designed for those who are not informed about these matters.

Prepared by: Shirleen Noonan
Shirleen Noonan
General Operations Manager

Approved by: Lucas Loranger
Lucas Loranger
Senior Controller

WASHINGTON STATE
HOUSING FINANCE COMMISSION
GENERAL OPERATING FUND

November 30, 2021

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(See Accountant's Compilation Report)

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Washington State Housing Finance Commission
Statement of Net Position
Fund: General Operating Fund
Division: All
November 30, 2021
(See Accountant's Compilation Report)

	Current Year	Prior Year	Variance		
			Amount	%	
ASSETS					
Cash and Cash Equivalents:					
Demand Deposits	\$ 3,554,205	\$ 9,486,748	\$ (5,932,543)	(1)	-63%
Money Market Accounts	45,063,570	36,547,709	8,515,861	(1)	23%
Investment Securities	5,253,715	3,008,085	2,245,630	(1)	75%
Interest Receivable	164,054	151,556	12,498		8%
Fees Receivables	13,604,692	8,724,723	4,879,969	(2)	56%
Loan Receivable (net)	-	1,000,000	(1,000,000)	(3)	-100%
Prepaid Expenses & Other Receivable	279,544	528,496	(248,952)	(4)	-47%
Furniture and Fixtures (net of depreciation)	219,494	131,497	87,997	(5)	67%
Total Assets	68,139,274	59,578,814	8,560,460		14%
Deferred Outflow of Resources (Pension & OPEB Contributions) *	2,338,037	1,738,698	599,339		34%
Total Assets and Deferred Outflows	\$ 70,477,311	\$ 61,317,512	\$ 9,159,799		15%
LIABILITIES					
Accounts Payable and Other Liabilities	\$ 5,866,907	\$ 3,186,674	\$ 2,680,233	(6)	84%
Unearned Fee Income	15,400,064	9,626,463	5,773,601	(7)	60%
Accrued Payroll Payable	1,539,963	1,520,016	19,947		1%
Net Pension Liability *	5,906,223	5,869,124	37,099		1%
Total Liabilities	28,713,157	20,202,277	8,510,880		42%
Deferred Inflow of Resources (Change in Investment Return/Assumptions - Pension & OPEB) *	2,383,349	2,579,125	(195,776)		-8%
NET POSITION					
Invested in Capital Assets	219,494	131,497	87,997	(5)	67%
Committed - Housing Washington *	473,047	373,946	99,101		27%
Unrestricted	38,688,264	38,030,667	657,597		2%
Total Net Position	39,380,805	38,536,110	844,695		2%
Total Liabilities, Deferred Inflows and Net Position	\$ 70,477,311	\$ 61,317,512	\$ 9,159,799		15%

- (1) Fluctuations in these accounts are considered in aggregate, increasing because of net excess revenue year to date.
- (2) The receivables increase is primarily due to the recording of receivables (and unearned fee income) for the Citibank Securitization program beginning in June 2021.
- (3) The balance in the prior year represents an Impact Capital draw on the Line of Credit authorized by the Commission.
- (4) The higher prepaids expense and other receivables balance in the prior year is due to a LAP loan that was recorded to other receivables until the loan closed and greater prepaid fees for bond cap allocation.
- (5) The increase in net capital assets reflects the capitalization of the Community Build project (automating the external tax credit application process), offset by the continued depreciation of prior investments in assets.
- (6) The increase in accounts payables and other liabilities is due to higher accruals associated with the Idaho Master Servicing Agreement, as well as, the quarterly transfer of Daily Price Program income to the Commission Fund occurring earlier in the prior year.
- (7) The increase in unearned fee income is primarily due to the recording of unearned revenue (and receivables) related to the Citibank Securitization program starting in June 2021 and the 2nd half of tax credit fees for Commission issued 4% bond tax credits beginning in March 2020.

* These balances are adjusted only at year-end.

Washington State Housing Finance Commission
Statement of Activities and Changes in Net Position
Fund: General Operating Fund
Division: All
For The Year To Date Ending: November 30, 2021
(See Accountant's Compilation Report)

	Current Period	Current Year to Date	Prior Year to Date	Variance Amount	%
<i>Revenues:</i>					
Fee Income	\$ 2,751,310	\$ 23,075,430	\$ 23,137,556	\$ (62,126)	0%
Interest Earned	66,686	355,279	383,790	(28,511)	-7%
Other	21,508	79,555	162,322	(82,767) (1)	-51%
<i>Total Unadjusted Revenues</i>	<u>2,839,504</u>	<u>23,510,264</u>	<u>23,683,669</u>	<u>(173,405)</u>	<u>-1%</u>
<i>Expenses:</i>					
Salaries, Wages, and Employee Benefits	781,223	3,863,072	4,042,549	(179,477)	-4%
Travel & Conferences	6,336	37,198	20,439	16,759 (2)	82%
Professional Fees	107,524	660,978	571,031	89,947 (3)	16%
Office Expense	157,088	910,609	867,858	42,751	5%
<i>Total Expenses</i>	<u>1,052,171</u>	<u>5,471,857</u>	<u>5,501,878</u>	<u>(30,021)</u>	<u>-1%</u>
<i>Adjustments</i>					
<i>Revenues:</i>					
Gains/(Loss) on Investments	(55,838)	(458,117)	(159,519)	(298,598)	187%
Grant Revenue	122,574	719,321	888,301	(168,980)	-19%
<i>Expenses:</i>					
Grant Pass-Through	122,574	719,321	888,301	(168,980)	-19%
<i>Total Adjustments</i>	<u>(55,838)</u>	<u>(458,117)</u>	<u>(159,519)</u>	<u>(298,598)</u>	<u>187%</u>
Excess of Revenues over Expenses	1,731,495	17,580,290	18,022,272	(441,982)	-2%
Less transfer to Commission Fund *	<u>(500,632)</u>	<u>(2,720,997)</u>	<u>(3,150,557)</u>	<u>429,560</u>	<u>-14%</u>
Excess of Revenues over Expenses (Net of Transfers)	<u>1,230,863</u>	<u>14,859,293</u>	<u>14,871,715</u>	<u>(12,422)</u>	<u>0%</u>
<i>Net Position</i>					
Total net position, beginning of period	38,149,942	24,521,512	23,664,395	857,117	4%
Current Increase (Decrease) - to Net position	<u>1,230,863</u>	<u>14,859,293</u>	<u>14,871,715</u>	<u>(12,422)</u>	<u>0%</u>
Total net position, end of year	<u>\$ 39,380,805</u>	<u>\$ 39,380,805</u>	<u>\$ 38,536,110</u>	<u>\$ 844,695</u>	<u>2%</u>

(1) The decrease in other income is primarily due to reduced number of property transfers in the Compliance division.

(2) The increase in travel and conference expenses is primarily due to a greater attendance of the virtual NCSHA fall conference and out of state in person conferences in the current year.

(3) The increase in professional fees is primarily due to executive professional search and consulting fees.

* Effective 1/1/2013, 25% of the Home Advantage Program revenue are transferred to the Single-family bond program's Commission Fund to ensure future indenture and program flexibility as the portfolio of MBS's and bonds diminish.

Washington State Housing Finance Commission
Detailed Statement of Activities
Fund: General Operating Fund
Division: All
For The Year To Date Ending: November 30, 2021
(See Accountant's Compilation Report)

	Variance-YTD vs. PY				Variance-YTD Budget to		
	Actuals	Prior YTD	YTD	YTD	Actual		
	%	Amount	Actual	Actual	Budget	Amount	%
<i>Revenues:</i>							
Program Fees	20.9%	\$ 1,371,690	\$ 6,571,853	\$ 7,943,543	\$ 7,399,555	\$ 543,988	7.4%
Issuance, Application, and Servicing Fees	-8.7%	(1,433,817)	16,565,704	15,131,887	9,704,888	5,426,999	55.9%
Interest Revenue	-7.4%	(28,511)	383,790	355,279	204,863	150,416	73.4%
Other Income	-51.0%	(82,767)	162,322	79,555	195,338	(115,783)	-59.3%
Total Unadjusted Revenues	-0.7%	(173,405)	23,683,670	23,510,263	17,504,644	6,005,620	34.3%
<i>Expenses:</i>							
Salaries & Wages - Staff & Temp. Svcs	-2.2%	(66,232)	3,047,437	2,981,205	3,441,369	(460,164)	-13.4%
Employee Benefits - Staff	-11.4%	(113,246)	995,112	881,866	975,423	(93,557)	-9.6%
Conference, Education & Training	43.5%	8,851	20,359	29,210	37,958	(8,748)	-23.0%
Travel out of state - Staff	NA	5,873	-	5,873	73,439	(67,566)	-92.0%
Travel in state - Staff	2543.8%	2,035	80	2,115	26,974	(24,859)	-92.2%
Accounting Fees	-12.8%	(14,374)	112,573	98,199	98,583	(384)	-0.4%
Legal Fees	-5.5%	(10,255)	187,111	176,856	271,250	(94,394)	-34.8%
Financial Advisor Fees	0.0%	-	125,000	125,000	137,000	(12,000)	-8.8%
Investment Management Fees	4.0%	2,604	65,444	68,048	66,667	1,381	2.1%
Office Rent/Conf. Room Rentals	19.9%	63,951	321,073	385,024	392,618	(7,594)	-1.9%
Furniture & Equipment Rental	-41.0%	(4,901)	11,961	7,060	7,298	(238)	-3.3%
Advertising	-65.0%	(54,148)	83,349	29,201	157,834	(128,633)	-81.5%
Publications/ Subscriptions/ Dues	-1.3%	(443)	33,168	32,725	45,401	(12,676)	-27.9%
Deliveries	-5.0%	(80)	1,585	1,505	1,577	(72)	-4.6%
Insurance	29.8%	5,304	17,812	23,116	17,838	5,278	29.6%
Equipment & Building Maintenance	316.6%	19,989	6,314	26,303	33,930	(7,627)	-22.5%
Software Maint. Support & Other Info Svcs	2.9%	9,215	314,817	324,032	377,712	(53,680)	-14.2%
Non-capitalized Equipment/Supplies	-42.7%	(6,710)	15,702	8,992	22,303	(13,311)	-59.7%
Postage	0.6%	14	2,370	2,384	3,488	(1,104)	-31.7%
Printing	-9.3%	(251)	2,709	2,458	10,561	(8,103)	-76.7%
State Services	28.4%	554	1,950	2,504	9,508	(7,004)	-73.7%
Supplies	73.6%	3,084	4,189	7,273	19,355	(12,082)	-62.4%
Telephone	60.7%	9,816	16,159	25,975	25,765	210	0.8%
Contract Services	138.4%	111,971	80,903	192,874	365,888	(173,014)	-47.3%
Depreciation	-7.6%	(2,642)	34,700	32,058	49,123	(17,065)	-34.7%
Other Misc. Expenses	-100.0%	2	(2)	-	-	-	NA
Total Expenses	-0.5%	(30,018)	5,501,877	5,471,856	6,710,008	(1,238,152)	-18.5%
<i>Adjustments</i>							
<i>Revenues:</i>							
Investments Gain (Loss)	187.2%	(298,598)	(159,519)	(458,117)	-	(458,117)	NA
Grant Revenue	-19.0%	(168,980)	888,301	719,321	2,961,983	(2,242,662)	-75.7%
<i>Expenses:</i>							
Grant Pass-Through	-19.0%	(168,980)	888,301	719,321	2,961,983	(2,242,662)	-75.7%
	187.2%	(298,598)	(159,519)	(458,117)	-	(458,117)	NA
Excess of Revenues over Expenses- adjusted	-2.5%	(441,985)	18,022,274	17,580,290	10,794,636	6,785,655	62.9%
Less transfer to Commission Fund	-13.6%	429,560	(3,150,557)	(2,720,997)	-	(2,720,997)	NA
Excess of Revenues over Expenses (Net of Transfers)	-0.1%	\$ (12,424)	\$ 14,871,717	\$ 14,859,293	\$ 10,794,636	\$ 4,064,658	37.7%

PROGRAM OBJECTIVES
QUARTERLY STATUS REPORT
for period ending December 31, 2021

• A Homeownership

Division: Homeownership Division **Position:** Lisa DeBrock, Director

Commission Goal:

To provide effective, low-cost financing for low to moderate income homebuyers.

Problem/Need:

Low and moderate-income households especially underserved communities and communities of color can't afford a modest priced home at conventional rates and are often subject to predatory loans. They are unable to save for downpayment and closing costs and are denied access to credit due to inflexible investor guidelines.

Program Purpose/Goal (How does it meet the need):

To bridge the gap to homeownership for low and moderate-income homebuyers by providing safe and affordable financing options to include downpayment assistance at favorable rates and terms and also broadening the credit box through flexible underwriting guidelines for credit worthy homebuyers.

Business Objectives:

Purchase 6,800 Home Advantage, 700 House Key loans files by June 30, 2022.

1st Quarter:

1st Quarter	Number	Amount	% Minority Borrowers
House Key	123	\$ 31,526,301.00	35.80%
MCC	0	\$ -	0.00%
Home Advantage	1833	\$ 648,585,395.00	31.20%
HK Opportunity DPA	112	\$ 1,449,246.00	31.30%
Home Advantage DPA	1777	\$ 25,191,400.00	30.90%
Home Advantage DPA Needs Based 1%	26	\$ 249,110.00	38.50%
Homechoice	5	\$ 75,000.00	60.00%
House Key Schools	0	\$ -	0.00%
House Key Veterans	0	\$ -	0.00%
House Key Seattle	0	\$ -	0.00%
Tacoma DPA	0	\$ -	0.00%
Bellingham DPA	4	\$ 160,000.00	50.00%
Pierce County	0	\$ -	0.00%
Bremerton DPA	0	\$ -	0.00%
HK+ Arch	1	\$ 30,000.00	0.00%
HK+ CLT	0	\$ -	0.00%
University of WA DPA (non-Commission funds)	2	\$ 169,995.00	50.00%

2nd Quarter:

2nd Quarter	Number	Amount	% Minority Borrowers
House Key	154	\$ 41,921,311.00	41.56%
MCC	0	\$ -	0.00%
Home Advantage	1581	\$ 565,966,101.00	30.74%
HK Opportunity DPA	145	\$ 2,008,193.00	43.45%
Home Advantage DPA	1555	\$ 22,323,806.00	30.42%
Home Advantage DPA Needs Based 1%	10	\$ 95,922.00	60.00%
Homechoice	7	\$ 102,693.00	14.29%
House Key Schools	0	\$ -	0.00%
House Key Veterans	0	\$ -	0.00%
House Key Seattle	1	\$ 55,000.00	0.00%
Tacoma DPA	1	\$ 20,000.00	0.00%
Bellingham DPA	0	\$ -	0.00%
Pierce County	0	\$ -	0.00%
Bremerton DPA	0	\$ -	0.00%
HK+ Arch	0	\$ -	0.00%
HK+ CLT	0	\$ -	0.00%
University of WA DPA (non-Commission funds)	0	\$ -	0.00%

Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs and develop new tools to mitigate the impact of such racism.

1st Quarter:

- Met with representatives from Ijara and Fannie Mae on August 4, 2021 to discuss Shariah Compliant lending product.
- Commissioners approved a Social Justice DPA program in conjunction with HomeSight at the August 26, 2021 board meeting. Implementation set for next quarter.

2nd Quarter:

- Continue to advocate that any new counseling programs be mindful of racial and social justice goals. We began to onboard the ARPA HAF program with a stated focus on making it racially, socially and equitably just.
- Lisa DeBrock participated in Department of Commerce's Homeownership Disparities Taskforce on October 25, 2021.

By June 30, 2022, continue to work on marketing and outreach to reach underserved communities and communities of color groups in our homeownership programs.

1st Quarter:

- Held 2nd Facebook Live Event in partnership with NAREB on July 6, 2021.

- Hired a Marketing Coordinator for the homeownership division who started on September 1, 2021.

2nd Quarter:

- Met with representatives from Urban League, DFI, NAACP, Washington State Department of African American Affairs to discuss future partnerships with each.

Conduct 10 lender Home Advantage training seminars; 10 real estate professional/lender presentations; 20 outreach activities with non-profits, lenders, real estate professionals and/or government entities, and 4 HomeChoice down payment assistance workshops by June 30, 2022.

1st Quarter:

- Conducted 3 Home Advantage/House Key training seminar virtually via Zoom.

Total for Quarter: 3
Total for Fiscal Year: 3

2nd Quarter:

- Conducted 3 Home Advantage/House Key training seminar virtually via Zoom.

Total for Quarter: 3
Total for Fiscal Year: 6

12 real estate professional/lender presentations:

1st Quarter:

- Lisa DeBrock and Corinna Obar presented our programs on a Facebook Live Event with NAREB on July 6, 2021.*
- Jenni Davidson held a back office training on August 10, 2021 with 105 attendees.
- Dietrich Schmitz conducted a training to representatives from HomeStreet Bank on the UHAP program on September 9, 2021.
- On September 14, 2021, Jenni Davidson held a back office training for NFM Lending with 14 attendees.

Total for Quarter: 4
Total for Fiscal Year: 4

2nd Quarter:

- Lisa DeBrock participated as a panelist entitled “Work Smarter with DPA Clients” in conjunction with Downpayment Resource and MGIC on October 20, 2021.

- Dietrich Schmitz presented our programs hosted by Downpayment Resource and MLS on November 9, 2021.
- Lisa DeBrock and Nicole Bascomb participated in Fannie Mae's Building Generational Wealth Series on How to Finance and Purchase a Home for their college fellowship program on November 10, 2021.*
- Dietrich Schmitz presented our programs at the Veteran's Day event hosted by NAREB on November 13, 2021.*
- Jenni Davidson hosted a back office training on November 16, 2021 with 95 attendees.
- Lisa DeBrock presented our programs virtually for Bushnell Real Estate Solutions on November 22, 2021.

Total for Quarter: 6
Total for Fiscal Year: 10

*Indicates outreach to minority group.

20 outreach activities with non-profits, lenders, real estate professionals and/or government entities:

1st Quarter:

- Rich Zwicker conducted 4 meetings with the housing counselor network partners to discuss program administration July 8, August 12, September 9 and September 28, 2021.
- Rich Zwicker met with Gretchen Bruce of King County VSHSL to discuss grant program on July 12, August 10 and September 9, 2021.
- Corinna Obar and Jenni Davidson virtually met with a representative from Fairway Mortgage to discuss and get feedback on our programs on July 13, 2021.
- Lisa DeBrock and Corinna Obar met with our land trust partners for an MH Advantage home tour on July 19, 2021.
- Lisa DeBrock and Corinna Obar met with representatives from NAMMBA to discuss next steps for Pacific NW chapter on July 22, 2021.*
- Rich Zwicker met with Marty Kooistra of HBC to discuss BIPOC homeownership on August 12, 2021.
- Lisa DeBrock and Corinna Obar virtually met with James Reese from Caliber Home Loans to discuss and get feedback on our programs and the market place on August 17, 2021.
- Lisa DeBrock attended retirement event for Tony To and Tom Jacobi on August 18, 2021.
- Lisa DeBrock attended NAREB's Western Washington Realist Q3 Check In on August 21, 2021. *
- Rich Zwicker attended the HDC policy summit on August 23-24, 2021.
- Corinna Obar attended the PNWML Conference on September 14-15, 2021.
- Homeownership staff attended NCSHA's virtual conference September 27-29, 2021.

Total for Quarter: 17
Total for Fiscal Year: 17

2nd Quarter:

- Corinna Obar and Lisa DeBrock participated in HDC’s Black Homeownership Initiative meeting on October 1 and November 5, 2021.
- Rich Zwicker met weekly in October with HomeSight to discuss HAF.
- Rich Zwicker met with Nathan Peppin of Commerce to discuss ARPA Homeowner Assistance Fund in October and November 2021.
- Homeownership staff attended Housing Washington’s virtual conference on October 5-6, 2021.
- Rich Zwicker met with Gretchen Bruce of King County to discuss KC VSHSL grant program on October 12, November 8 and December 14, 2021.
- Rich Zwicker met with Lili Sotello of the Northwest Consumer Law Center to discuss Civil Legal Aid for HAF on October 13 and November 12, 2021.
- Corinna Obar, Lisa DeBrock and Kat Komin met with representatives from NAREB to discuss marketing on October 22, 2021.*
- Lisa DeBrock participated in Department of Commerce’s Homeownership Disparities Taskforce on October 25, 2021.
- Rich Zwicker attended Representative Orwall’s Foreclosure Team meeting on October 27, 2021.
- Lisa DeBrock attended Fannie Mae’s 2021 HFA Virtual Summit on November 1, 2021.
- Corinna Obar and Lisa DeBrock met with Team Manthei from Summit Funding Mortgage on November 16, 2021.
- Lisa DeBrock attended a meeting regarding increasing Black Homeownership in the Puget Sound Region in conjunction with the Federal Home Loan Bank on November 17, 2021.
- Rich Zwicker met with Erin Lopez Nielsen and Lyn Peters of Department of Financial Institutions to discuss outreach opportunities on November 22 and December 13, 2021.
- Homeownership staff hosted a session for our lenders entitled Database marketing Done Right in conjunction with Essent on December 3, 2021.
- Jenni Davidson virtually attended the Emphasys Conference on December 7-8, 2021.
- Homeownership and Admin staff attended NAREB’s Gala on December 11, 2021.*
- Rick Zwicker and Lisa DeBrock met with Ed Prince, Executive Director of the Commission on African American Affairs on December 17, 2021.*
- Rich Zwicker met with Northwest Justice Project to discuss foreclosure prevention on December 20, 2021.

Total for Quarter: 24
Total for Fiscal Year: 41

*Indicates outreach to minority group.

4 HomeChoice down payment trainings:

1st Quarter:

- Dietrich Schmitz conducted 3 HomeChoice webinars on July 30, August 30 and September 24, 2021 with a total of 18 attendees.

Total for Quarter: 3

Total for Fiscal Year: 3

2nd Quarter:

- Dietrich Schmitz conducted 2 HomeChoice webinars on October 29 and November 19, 2021 with a total of 21 attendees.

Total for Quarter: 2

Total for Fiscal Year: 5

Conduct an RFP to hire Master Loan Servicer(s) or extend current contracts by 12/31/2021.

1st Quarter:

- Contracts with master loan servicers will be extended.

2nd Quarter:

- Contracts extended.

Conduct an RFP to hire for Quantitative Services or extend current contract by December 31, 2021.

1st Quarter:

- RFP or contract extension in second quarter.

2nd Quarter:

- Contracts extended.

Hire and work with Seller Servicer Consultant on a Work Plan and timeline for application if applicable for certification of the Commission as a Ginnie Mae, Fannie Mae, or Freddie Mac seller/servicer by June 30, 2022.

1st Quarter:

- RFP issued in July 2021. No consultant was hired. We are continuing to form new partnerships who work in this space to reissue RFP in near future.

2nd Quarter:

- RFP for Seller Servicer Consultant reissued.

Performance Measures:

- **7,500 low and moderate-income households purchase an affordable home using the House Key Program/Home Advantage by the Commission by June 30, 2022.**
- **90% of the loans are reviewed within 3 business days of receipt by June 30, 2022.**

1st Quarter:

- Out of 1832 Home Advantage files, 1808 or 98.70% were reviewed within 3 business days of receipt, 24 or 1.30% were reviewed after 3 business days of receipt.

2nd Quarter:

- Out of 1581 Home Advantage files, 1557 or 98.50% were reviewed within 3 business days of receipt, 24 or 1.50% were reviewed after 3 business days of receipt.

The delinquency rate for Home Advantage/House Key programs borrowers is less than FHA fixed rate average for Washington State as published quarterly by the MBA by June 30, 2022.

1st Quarter:

- As of August 19, 2021, according to the Mortgage Bankers Association, the national delinquency rate is at 5.47%. For the state of Washington, the FHA delinquency rate is 11.58%. During the same period, the rate of delinquency for the House Key/Home Advantage programs is at 8.14% in the US Bank portfolio, 15.16% in the Lakeview portfolio, which includes loans in forbearance and 3.87% in the Idaho Housing portfolio.

2nd Quarter:

- As of November 10, 2021, according to the Mortgage Bankers Association, the national delinquency rate is at 4.88%. For the state of Washington, the FHA delinquency rate is 10.43%. During the same period, the rate of delinquency for the House Key/Home Advantage programs is at 9.70% in the US Bank portfolio, 13.60% in the Lakeview portfolio, which includes loans in forbearance and 3.55% in the Idaho Housing portfolio.

The Homeownership division receives an average score of 4 or better on the evaluation of division conducted training workshops.

1st Quarter:

- Out of 3 trainings, 100% of the training received an average score of 4 or better.

2nd Quarter:

- Out of 3 trainings, 100% of the training received an average score of 4 or better.

QUARTERLY STATUS REPORT

for period ending December 31, 2021

- B Homebuyer Education and Counseling

Division: Homeownership Division **Position:** Lisa DeBrock, Director

Commission Goal:

To actively support our potential homebuyers and existing homeowners through education and counseling services.

Problem/Need:

Many lower income and other first-time homebuyers lack the community resources to learn how to buy a home and understand the responsibilities of homeownership, including what to do if they are having difficulty making their monthly mortgage payment.

Program Purpose (How does it meet the need):

To provide the educational opportunity for potential homebuyers to learn how to buy, maintain, and stay in their home.

Business Objectives:

Consider the impacts resulting from historic and systemic racism on Commission programs and processes, including the homeownership programs, change programs and develop new tools to mitigate the impact of racism. Ensure that any grant administration program complies with the Commission’s efforts regarding racial and social justice initiatives.

1st Quarter:

- Met with counseling provider network to advocate any new counseling programs be mindful of racial and social justice goals.

2nd Quarter:

- Ongoing. We continue to advocate that any new counseling programs be mindful of racial and social justice goals. Begin to onboard the ARPA HAF Program with a stated focus on making it racially, socially and equitably just.

Conduct 800 homebuyer education seminars, with 8,000 participants, including on-line classes by June 30, 2022.

1st Quarter: Date range 7/1/2021-9/30/2021 Data pull date 10/18/2021

- Virtual Classes: 45 Participants: 435

• Non-English:	0	Participants:	0
• Tri-County:	27	Participants:	151
• Rest of State:	18	Participants:	284
• eHomeAmerica Online	2,745	Participants:	2,745
		Total:	3,180

2nd Quarter: Date range 7/1/2021-12/31/2021 Data pull date 1/18/2022

• Virtual Classes:	133	Participants:	775
• Non-English:	1	Participants:	10
• Tri-County:	84	Participants:	434
• Rest of State:	49	Participants:	341
• eHomeAmerica Online	4,745	Participants:	4,745
		Total:	5,520

For new grants or existing grants develop and/or implement the appropriate distribution program by June 30, 2022.

1st Quarter:

- Received \$1.3 million grant from Neighborworks for housing counseling.

2nd Quarter:

- New funding opportunities have presented themselves with the addition of the HAF program.

For grants that may expire this fiscal year, ensure that counseling funds are distributed by the grant end dates, or seek extensions as appropriate by June 30, 2022.

1st Quarter:

- All grants on track.

2nd Quarter:

- All grants on track.

Continue cooperative work with the Department of Commerce to assist in implementing any Foreclosure Fairness Act funds that become available to comply with program goals that may be set by the Commission, Commerce or the Washington State Legislature by July 1, 2021.

1st Quarter:

- Rich Zwicker and Corinna Obar met with Representative Orwall Foreclosure Fairness Group on September 30, 2021 to discuss foreclosure prevention.

2nd Quarter:

- Rich Zwicker met with Representative Orwall Foreclosure Fairness Group on October 27, 2021 to discuss foreclosure prevention.
- Ongoing discussion on Foreclosure Fairness grants.

Cooperatively work with the Department of Commerce to assist in implementing the American Rescue Plan Act Homeownership Assistance Program to comply with program goals that may be set by the Commission, Treasury, Commerce, or the Washington State Legislature by June 30, 2022.

1st Quarter:

- Rich Zwicker met with Nathan Peppin of Commerce weekly to discuss the ARPA Homeowner Assistance Fund (HAF).
- Rick Zwicker met with Darryl Smith of HomeSight to discuss HAF on September 3, 2021.

2nd Quarter:

- The ARPA HAF program was transferred to the Commission from Commerce during 2nd quarter.

Performance Measures:

Ten percent (10%) of the Homebuyer Education class instructor's participants teach a class within twelve (12) months of taking the class.

1st Quarter:

- Out of 443 trainees, 55 or 12% of Homebuyer Education class participants taught a class within 12 months of taking the class.

2nd Quarter:

- Out of 375 trainees, 35 or 9% of Homebuyer Education class participants taught a class within 12 months of taking the class.

All Required reporting associated with any counseling grant be completed by their respective deadlines.

1st Quarter:

- Required reporting completed.

2nd Quarter:

- Required reporting completed.

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Multifamily Housing Program

Period Ending: 12/31/2021

1. Program wide:

- a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the multi-family housing programs, change programs and develop new tools to mitigate the impact of such racism.

1st Qtr: New Bond policies approved with By and For criteria. Ongoing work with intern on establishing and documenting discrimination and inequities resulting from systematic racism.

2nd Qtr: Work continues documenting discrimination and inequities resulting from systematic racism. Race and social justice questionnaire revised for collection of data on 9% projects 2022 allocations.

- b. Evaluate opportunities for grant applications for all division programs and report quarterly to AMT and Administration.

1st Qtr: Application submitted for UW Student Lab for cost evaluation.

2nd Qtr: Application awarded and initial meeting with student team occurred.

- c. Tax credit and housing bond policies reviewed annually, including total development costs limits.

1st Qtr: Analysis, research and new proposal for TDC limits.

2nd Qtr: 2022 9% tax credit allocations finalized- no policy work during this period

- d. Creation of web-based application system. Implement new online application by January 2022.

1st Qtr: Signed SOW, obtained Salesforce community licensing, and application build in progress. Ongoing testing of functionality by internal staff. UAT projected for end of October.

2nd Qtr: Internal UAT testing occurred and initial pilot applications entered and used online system.

- e. Assess current staffing needs and objectives based on legislative or emerging program initiatives by December 31, 2021.

1st Qtr: Have automated entry for 9% program. Applied, interviewed and hired HDC BIPOC program intern.

2nd Qtr: WMS 1, Contracts Coordinator position description drafted and approved.

2. Multi-family housing bonds:

- a. Finance 3,000 units of affordable rental housing or issue \$350,000,000 in tax exempt bonds by 6/30/2022.

1st Qtr:

Project Name	Location	Tax-Exempt Bonds	Units
Admiralty Apartments	Port Townsend	\$13,623,000	48
Rose Street II	Seattle	\$59,520,000	182
Polaris at Eastgate 4%	Bellevue	\$68,000,000	360
Solera Apartments	Renton	\$70,000,000	275
Ethiopian Village	Seattle	\$17,600,000	90
2021 Watermark Supplemental Loan	Auburn	\$2,271,600	0
		\$231,014,600	955

2nd Qtr:

Project Name	Location	Tax-Exempt Bonds	Units
Columbia Gardens	Vancouver	\$25,200,000	124
Nesbit Family Housing	Seattle	\$20,800,000	104
192 Shoreline	Shoreline	\$47,414,457	250
Linden	Seattle	\$37,500,000	200
Midvale Village	Shoreline	\$53,000,000	210
Elizabeth Thomas Homes	Seattle	\$31,136,380	119
2021 LARC @ Burien Supplemental	Burien	\$4,000,000	0
		\$219,050,837	1,007

- b. Monitor and control multifamily bond cap including transfers to other issuers to ensure maximum use of the state's resource.

1st Qtr:

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
LamBow	Seattle Housing Authority	Seattle	\$21,066,128.05	82
WWHA Housing Preservation Project	Walla Walla Housing Authority	Walla Walla	\$7,000,000	96
			\$28,066,128.05	178

2nd Qtr:

Project Name	Issuer	Location	Tax-Exempt Bonds	Units
Pride Place Senior Housing	Community Roots Housing	Seattle	\$23,400,000	118
Samish Commons Family Housing	Bellingham/Whatcom Housing Authority	Bellingham	\$13,700,000	49
Sawara Apartments	Seattle Housing Authority	Seattle	\$37,899,696	114
Fourth Plain Commons	Vancouver Housing Authority	Vancouver	\$20,000,000	106
Africatown Plaza	Community Roots Housing	Seattle	\$30,000,000	126
			\$124,999,696	513

- c. Pursue initiatives for increasing private activity bond cap, including recycling of bond cap, lowering of 50% test and other initiatives depending on federal and state framework with a report by 06/30/2022.

1st Qtr: Presented HSG WA panel on impacts of lowering the 50% test, continued communication with federal legislative staff and advocates regarding strategies and pipeline data to document impact.

2nd Qtr: Ongoing advocacy occurred, resulting in the key LIHTC provisions being included in the bill, unfortunately the bill has not passed yet.

- d. Seek additional and alternative methods of financing multifamily housing i.e. Close 2 EHF projects and continue to staff and evaluate additional options with the Seattle Foundation for furthering housing development.

1st Qtr: Press release and closing of 1st EHF loan -Solera. Survey of potential applicants to gauge pipeline and interest. Staffed Advisory Committee discussion on survey results and potential program changes.

2nd Qtr: Closed on 2nd EHF Loan- Linden. Continue to staff advisory group and market to developers.

3. Housing Credits:

- a. Allocate credits to 860 or more units of affordable housing by 12/31/21 issuing final allocations to 100% of the projects with all PIS requirements satisfied by 1/15/2022.

1st Qtr: All RACs completed for 2021 9% allocations.

2nd Qtr: Issued IRS Form 8609s to 8 projects, resulting in 1,348 low-income units.

- b. Review and process non-Commission bond/housing credit applications received within 30 days.

1st Qtr: Completed 2 project reviews and developed new protocols and shared with AWA working group.

2nd Qtr: Reviewed and processed 4 non-Commission bond/housing credit applications.

**Multifamily Housing & Community Facilities
Business Objectives / Quarterly Report
Nonprofit Housing and Nonprofit Facilities Programs**

Lisa Vatske, Director

Nonprofit Programs Combined Report

Period Ending:12/31/2021

1. Program Objectives: Nonprofit Financing

- a) Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the nonprofit facilities and nonprofit housing programs, change programs and develop new tools to mitigate the impact of such racism.

1st Qtr: Research into past discrimination and harms in the affordable housing industry was done by Cassidy Berlin and summarized into a document that will soon be available for review.

2nd Qtr: Developing community outreach strategy and compensation plan for engagement on program focus groups. Continued work on interviewing BIPOC community to document systematic discrimination and inequities in accessing financing.

- b) Identify, communicate and support changes to current programs as well as the development of new tools to mitigate the impact of historic and systemic racism (Q4 2022).

1st Qtr: Incorporated By and For Community categories in Bond policies, approved in July.

2nd Qtr: Included CBO documentation in Intent to apply process.

- c) Incorporate into the marketing plan specific outreach to communities of color.

1st Qtr: Keri Williams began researching Community Based Organizations throughout the state of Washington that may be interested in partnering with housing developers in various capacities.

2nd Qtr: Began a cross-divisional marketing and community outreach coordination process with Home Ownership, with goals of better relationship management, avoiding nonprofit fatigue, and laying groundwork for community participation processes.

- d) Make at least 15 meaningful connections to interested groups or organizations across nonprofit programs, including nonprofit housing, by 2022.

1st Qtr: Presented to several statewide commissions, included African American Affairs, Asian American Affairs, Communities of concern Commission regarding

new policies and programs.

2nd Qtr: Keri Williams connected with staff of King County Skyway Community Advisory Committee; South King County Housing & Homelessness Partners; Whatcom Community College Foundation Board.

- e) Make at least 6 meaningful connections with potential client organizations who were previously unaware of the nonprofit facility bond program.

1st Qtr: Keri Williams had conversations with East African Community Services and the White Center CDA about financing facilities and/or housing.

2nd Qtr: Keri Williams had conversations with Jordan Kahn, People's Bank, Gateway Educational Services

- f) Staff members focusing on nonprofit finance will attend at least once conference, workshop, or training relating to nonprofit and senior housing private schools, cultural facilities, social services, facility financing, real estate, bonds, and nonprofit fundraising. A summary of the event including contacts and referrals and one key idea will be presented at a division meeting.

1st Qtr: No activity.

2nd Qtr: No activity.

- g) Conduct 6 relationship building activities with existing clients including groundbreaking and dedications, virtual events, or other meaningful engagement.

1st Qtr: Claire attended the Wesley at Tehaleh ribbon cutting in Bonney Lake on September 10.

2nd Qtr: No activity

- h) Seek out conferences to advertise the program, participate in at least 5 workshops as a sponsor, speaker or exhibitor by 2022.

1st Qtr: No activity.

2nd Qtr: No activity.

- i) Review and refresh marketing materials, website, brochures, handouts to reflect program changes and results as needed throughout 2022.

1st Qtr: Initial review of website was begun, and plans made to renew efforts with the Communications team to do a refresh on program materials.

2nd Qtr: No activity

- j) Evaluate nonprofit organizations’ barriers to financing capital projects and develop tools to educate and assist organizations in preparing for and undertaking projects.

1st Qtr: No activity.

2nd Qtr: No activity

- k) Seek out alternative financing structures and provide technical assistance to traditional non-profit housing developers to more fully utilize 501(c)3 bonds to develop affordable housing by 2022.

1st Qtr: Keri Williams engaged with a researcher in Minnesota who provided a matrix of efforts being conducted by several HFAs around the nation to build capacity in BIPOC development firms. Bond analysts and management staff worked with Bellwether Housing to explore ways to use 501(c)(3) bonds to acquire and rehabilitate two projects in the Commission’s affordable housing portfolio currently owned by for-profit housing developers and retain the projects for low-income residents.

2nd Qtr: Lisa Vatske and Keri Williams participated in a small group of funders to coordinate efforts around TA and funding opportunities for BIPOC developers and other construction professionals.

- l) Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and implement regulatory requirements or other changes as necessary.

1st Qtr: No activity.

2nd Qtr: No activity.

- m) Identify, communicate and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic.

1st Qtr: No activity.

2nd Qtr: No activity

2. Nonprofit Financing Objectives:

- a) Issue \$80 million in bonds or finance 225 units/beds including facilities for senior housing by 6/30/2022.

1st Qtr:

Housing

Project Name	Location	Tax-Exempt Bonds	Units	Type
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Eliseo	Tacoma	\$32,635,000.00	253*	Elderly
		\$32,635,000.00	0	

**Units already counted with a prior issuance of 501c3 Housing Bonds*

Facilities

No activity.

2nd Qtr:

Housing

Project Name	Location	Tax-Exempt Bonds	Units	Type
Madison at Rivers Edge	Auburn	\$36,865,000.00	120	General
		\$36,865,000.00	120	

Facilities

Project Name	Location	Tax-Exempt Bonds	Type
Overlake School	Redmond	\$19,500,000	Education
		\$19,500,000	

- b) Coordinate and market green initiatives to nonprofit housing providers, with report on successes by 6/30/2022.

1st Qtr: Recent award to the Commission and Seattle City Light on the partnership that makes financing solar panels for nonprofit organizations less burdensome will be incorporated into new marketing strategy.

2nd Qtr: No activity.

Multifamily Housing & Community Facilities

Business Objectives Quarterly Report

Lisa Vatske, Director

Specialty Programs - MHCF

Period Ending: 12/31/2021

1. Program wide:

- a. Evaluate the impacts resulting from historic and systemic racism on Commission programs and processes, including the Commission's boutique programs, change programs and develop new tools to mitigate the impact of such racism.

1st Qtr: New Farmland trust PRI component includes BIPOC priority.

2nd Qtr: Working on outreach strategies for engaging community and providing compensation.

- b. Evaluate opportunities for grant applications for all division programs and report quarterly to AMT and Administration.

1st Qtr: Applied for Commerce Energy Fund grant for SET program.

2nd Qtr: Received \$500,000 grant request from Commerce Energy Fund for SET program.

- c. Assess current staffing needs and objectives based on legislative or emerging program initiatives by December 31, 2021.

1st Qtr: Applied, interviewed and hired HDC intern.

2nd Qtr: No activity this period.

2. Renewable and energy efficiency:

- a. Close at least 4 SET loans or total SET loan issuance of \$2 million by 06/30/2022. At least 2 of these loans will be through the SET / Seattle City Light solar partnership.

1st Qtr: Closed 2 SET loans under the SET / Seattle City Light Partnership. One to the Brighton Apartments for \$400,000 and the other to Homestead's Village Garden Townhomes for \$268,797.

2nd Qtr: We received two SET applications, one from San Juan Community Land Trust for \$1,000,000 and one from Northaven Development for \$75,000.

- b. Review and evaluate the effectiveness of the SET's lending parameters in today's market by 12/31/21 and develop at least one new (single, multifamily, or nonprofit) clean energy or energy efficiency lending product to fill gaps identified in the market by 6/30/22.

1st Qtr: Submitted a grant application to the Department of Commerce's Clean Energy Fund for \$500,000 to seed a Commission sponsored energy efficiency / renewable energy loan loss reserve.

2nd Qtr: Awarded the \$500,000 grant from the Department of Commerce to form a

residential energy efficiency loan loss reserve. Lucas and Eli had an initial meeting with Commerce to discuss grant specifics.

- c. Analyze the Commission’s Energy Points Report being developed by the University of Washington and determine if the recommendations need to be implemented into the 9% or 4% policy documents by 6/30/22.

1st Qtr: Energy points assessed and amended in new bond policies adopted in July based on recommendations from the study.

2nd Qtr: No activity this period.

3. Beginning farmers and ranchers:

- a. Issue \$1.5 million in tax-exempt bonds in 3 issues by 06/30/22.

1st Qtr: No activity.

2nd Qtr: Closed on bond issue for \$433,500.

Borrower	Location	Tax-Exempt Bonds
Colton D. Miller	Cheney	\$433,500

- b. Monitor and track the Purchase Assistance Loan Program and develop option for farmland preservation. Report quarterly on progress to Division Director and AMT.

1st Qtr: Farm PAI program approved at the September board meeting providing \$7,000,000 in funding for farmland preservation. Staff is currently working on implementing the program.

2nd Qtr: Staff continues to work with stakeholders to implement the FarmPAI Program. Legal documents are currently expected to be complete in February.

- c. Recruit additional banks to participate in the program, redo loan documents to allow additional banks to participate by December 2021.

1st Qtr: Discussions with several banks and NW Farm Credit showing renewed interest.

2nd Qtr: No activity this period.

4. Manufactured Housing Communities:

- a. Finance 2 Manufactured Housing Communities, or 100 units, by 6/30/2022.

1st Qtr: We have 3 projects currently in development and expect to close them by the end of November.

2nd Qtr: We financed 4 communities, totaling 254 units.

b. Track and monitor legislation and funding opportunities by 6/30/2022 and report quarterly on any progress or initiatives.

1st Qtr: No activity.

2nd Qtr: Met with ROC NW and participated in internal Commission meetings in preparation for the upcoming Legislative session.

5. Land Acquisition Program:

a. Assess, analyze and determine geographic targets, strategic priorities and redefine overall outcomes by 6/30/2022.

1st Qtr: Reviewed Evergreen Impact Housing Fund program matrix to inform the development of a similar matrix that can assess overall outcomes of the LAP and ELAP programs. Next step is to establish priorities and build out the matrix.

2nd Qtr: No activity this period.

PROGRAM OBJECTIVES

QUARTERLY STATUS REPORT

SECOND FISCAL QUARTER, FY22

October – November - December

Ending December 31, 2021

Division: ASSET MANAGEMENT & COMPLIANCE

Position: Wubet Biratu, Director

Business Objectives, Compliance:

- 1. Review 100% of compliance reports. Complete initial reviews within eleven months of report due dates. Issue compliance letters within 14 months of report due dates.**
 - 1st Quarter: 2020 Tax Credit reports are now 73% reviewed. 2020 Bond annual report reviews are 100% complete.
 - 2nd Quarter: 2020 Tax Credit reports now 100% reviewed. 2021 Bond annual reports were requested.

- 2. Ensure completion of calendar year onsite inspections for 1/3 of all projects by December 31st. NOTE: This goal is waived until we receive guidance that physical inspections will not threaten the health and safety of Commission stakeholders as a result of the COVID-19 pandemic.**
 - 1st Quarter: Currently suspended due to COVID-19 pandemic, per waiver notice extension issued by IRS in January 2021.
 - 2nd Quarter: Currently suspended due to COVID-19 pandemic, per waiver notice extension issued by IRS in January 2021.

- 3. Provide regular educational opportunities and resources for our stakeholders through workshops, manuals, FAQs, newsletters, and other online resources. This includes presenting approximately 12 tax credit and bond compliance workshops (online during the pandemic), sending at least 12 electronic newsletters, and updating our online resources regularly by June 30th.**
 - 1st Quarter: Emailed monthly E-News notifications to stakeholders; made weekly updates to our webpages; worked on revisions to our Tax Credit and Bond Manuals and to several compliance forms. Presented online Tax Credit Fundamentals classes in July and September. Continued to provide many pandemic-related resources online to our stakeholders.
 - 2nd Quarter: Emailed monthly E-News notifications to stakeholders; made weekly updates to our webpages; worked on revisions to our Tax Credit and Bond Frequently Asked Questions and to several compliance forms. Presented online Bond Compliance class in October. Presented online Tax Credit Fundamentals classes in November.

- 4. Update Memorandum of Understandings (MOUs) as necessary and enhance working relationships with other public funders including the City of Seattle, State Department of Commerce, State Rural Development, and Department of Housing and Urban Development. Report to the AMT on status of MOUs by June 30th.**
 - 1st Quarter: Corresponding with other funders as issues arise concerning how to complete compliance tasks in light of the pandemic; Combined Funder Monitoring group met in August.
 - 2nd Quarter: Corresponding with other funders as issues arise concerning how to complete compliance tasks in light of the pandemic; Combined Funder Monitoring group met in November. New subcommittee created by City of Seattle to discuss shared properties with preservation issues.

- 5. Report to the AMT quarterly on the status of PROWL properties, based on monitoring of PROWL activities.**
 - 1st Quarter: No AMC-monitored projects currently on the PROWL list.
 - 2nd Quarter: Several multifamily properties added to list and discussed at AMT meeting.

- 6. Manage WBARS system and update vendor contract by June 30, 2021. Work closely with the Department of Commerce on all major changes. Report to AMT quarterly on updates and problems.**
 - 1st Quarter: WBARS is being successfully maintained. Our vendor worked on building out a new single family home loan contract module and has been enhancing the XML import guidance for stakeholders who import Table 1 data from their property management software systems. Started conversations discussing next round of projects for 2022.
 - 2nd Quarter: WBARS is being successfully maintained. Our vendor worked on finishing the new single family home loan contract module and has been enhancing the XML import guidance for stakeholders who import Table 1 data from their property management software systems. Provided significant support to users who import Table 1 data to help them adjust to new import validation rules.

- 7. Work with current utility allowance analysis contractor to review applications for alternative utility allowance structures and process yearly alternate allowance updates. Initial reviews will include confirmation of materials submitted, as well as an analysis of the energy modeling and results. Update on contractor progress will be prepared by 6/30/2021.**
 - 1st Quarter: ArchEcology continues to complete initial reviews and annual rate adjustment reviews with periodic assistance from AMC staff and the Commission's Senior Energy Coordinator.
 - 2nd Quarter: ArchEcology continues to complete initial reviews and annual rate adjustment reviews with periodic assistance from AMC staff and the Commission's Senior Energy Coordinator.

8. Evaluate the impacts resulting from the COVID-19 pandemic on compliance monitoring; implement procedural and technical assistance changes as needed to provide guidance and support to stakeholders.

- 1st Quarter: We surveyed our owners to get updated feedback on how the pandemic is impacting rent collection and other management issues.
- 2nd Quarter: Survey indicated several owners are still struggling with outstanding rent owed, but it appears owners and management companies are financially stable. More urgent issues around lack of stable staffing and connection to resources, both financial and material. AMC will continue to monitor and provide pandemic-related guidance as needed.

9. Send survey to compliance stakeholders to get data on whether or not management companies require racial bias/equity training for their employees. Make recommendation by June 30th on racial equity tools/training to make available to stakeholders as a result of survey results.

- 1st Quarter: We worked on a draft survey to send stakeholders asking about their activities around equity and inclusion among their staff and tenants.
- 2nd Quarter: We received a small amount of survey data. Next steps are to explore what organizations WSHFC could contract with to advertise diversity and inclusion training and to consider what types of training should be required for management companies on a periodic basis.

Performance Measures:

1. 100% of owners and managers with noncompliance issues will experience resolution of noncompliance issues within stated timeframes.

- 1st Quarter: We have made progress toward meeting our end-of-year production goals.
- 2nd Quarter: We met all end of year production goals.

2. The number of notices sent to the IRS, for serious noncompliance violations, will be less than 5% of the portfolio.

- 1st Quarter: We issued 8823s to 6 properties in the first quarter – this represents less than 1% of the total tax credit portfolio.
- 2nd Quarter: We issued 8823s to 12 properties in the second quarter – this represents less than 2% of the total tax credit portfolio.

3. The average score for the division on post-training evaluations will be 4 or higher, on a scale of 1 to 5.

- 1st Quarter: The average class score was 4.3.
- 2nd Quarter: The average class score was 4.4.

4. The average score for owner/manager satisfaction for compliance policy assistance and resolving noncompliance issues will be 4 or higher, on a scale of 1 to 5.

- 1st Quarter: No activity; customer satisfaction survey is sent in the spring and results will be available in the 4th quarter Quarterly Report (July 2022).
- 2nd Quarter: No activity.

TOTAL PROJECTS MONITORED AND UNITS SET ASIDE FOR LOW-INCOME RESIDENTS:

1st Quarter:

Total Low Income Projects & Units Monitored			
Housing Programs	Projects	Total Low Income Units	Total Units
Bond	100	4,576	11,019
Tax Credit	1,047	94,744	97,574
RTC	1	68	193
TOTALS	1,148	99,388	108,786

➤ 2nd Quarter:

Total Low Income Projects & Units Monitored			
Housing Programs	Projects	Total Low Income Units	Total Units
Bond	101	4,826	11,341
Tax Credit	1,073	97,563	100,580
RTC	1	68	193
TOTALS	1,175	102,457	112,114

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
Fiscal Year 2021-2022**

Program: Administration

Division: Executive Office

Commission Agency Wide Performance Measures:

1. Directly finance 320,000 affordable housing units by the end of fiscal year 2025.
2. Directly finance 205 nonprofit owned facilities by the end of fiscal year 2023.
3. Close 40 Farmer/Rancher loans by the end of fiscal year 2023.
4. Directly finance 300 housing units per FTE each fiscal year.
5. Earn a minimum of \$380,000 per FTE in revenue each fiscal year.
6. Spend less than \$210,000 per FTE each fiscal year.
7. Maintain at least 5 bond issues outstanding per FTE each fiscal year.
8. The Commission's employees will average a score of 4 or better on the "employee engagement" measures developed by DOP when measured each fiscal year.
9. The Commission will receive an average score of 4 or better from clients and partners when asked to score the "organizational success factors" identified by the Commission and measured once during the year.

Business Objectives:

1. Evaluate the impact of historic and systemic racism on Commission programs and processes by June 30, 2022 and develop new tools to mitigate the impact of such racism.

First Quarter: The Commission has established a Racial Justice and Equity Team (RJET) to begin addressing these impacts. RJET provides periodic updates at our Executive and Administrative Management Team meetings. We have also initiated facilitated staff dialogs and reached out to the BIPOC community for their input.

Second Quarter: We continue our ongoing consultant engagement that included a two all staff activities (a survey and a round of discussions) to aide in our baseline assessment of where the Commission currently is as we pursue our transformation to becoming an antiracist organization.

2. Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and, implement regulatory requirements or other changes as necessary by June 30, 2022.

First Quarter: Impacts are discussed at our regularly scheduled Executive

Management and Administrative Management Team meetings on an ongoing basis to ensure that regulatory requirements and changes are made as necessary.

Second Quarter: No significant change of course was necessary. We continue monitoring both the state of the pandemic as well as its impacts on our ability to successfully conduct our business. Thus far, with what we have in place, we continue to be effective at both supporting staff in their ability to telework as well as our ability to accomplish our agency mission.

3. Identify, communicate, and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic by June 30, 2022.

First Quarter: Enhancements to current programs are discussed at our regularly scheduled Executive Management Team and Administrative Management Team meetings. We have also reached out to our stakeholders for their input.

Second Quarter: We conducted division level discussions and rolled the feedback into our EMT agenda. We are actively monitoring impacts of COVID on staff and their ability to meet the requirements of their respective jobs. As the same time, we have the foundation in place for our plan to safely return to the office for whenever that time comes.

4. Research, develop and begin implementation of safe protocols by July 15, 2021, in preparation for a return to the office when recommended.

First Quarter: This has been completed. The following safety protocols have been researched, vendors have been identified and equipment ordered and installed: touchless hand sanitizer dispensers at every entry door throughout the Commission offices; motion activated doors with key fobs for Commission office entrances; and motion activated restroom doors; touchless faucets and toilets in restrooms; masks and hand sanitizer is readily available; building management has installed robust filters in HVAC systems throughout the offices; acrylic protective barriers will be added for workspaces with half walls; protocols for limited numbers of people in copy rooms, restrooms and kitchen spaces have been created.

Second Quarter: Completed. All safety and health supplies are in stock. Touchless faucets, toilets and bathroom doors have been installed, and touchless entry doors to the office are now activated by a swipe-able key fob. Additional safety measures will be put in place as Commission staff return to the office on a regular schedule.

5. Conduct new Commissioner Orientation within 90 days of new appointments; Prepare for and conduct 11 monthly HFC meetings, one planning session, and assist the Commissioners in the completion of their duties by June 30, 2022.

First Quarter: Conducted three Commission meetings during the quarter via Zoom. Coordinated participation in other activities for Commissioners.

Second Quarter: Conducted three Commission meetings during the quarter via Zoom. Coordinated participation in other activities for Commissioners.

6. Provide leadership in the development of statewide housing policy and obtain approval of a 2022 legislative agenda by December 30, 2021.

First Quarter: Housing Finance Agency Solutions Team “HFAST” Meeting; The Federal Policy Landscape for Community Development; NCSHA’s Executive Directors Workshop; Legislative session discussion with Senator Kuderer; AHAB Policy Committee; Impact Capital Board Meeting; New Commissioner Orientation; Housing Equity Panelist Discussion; Microsoft Quarterly Meeting; Sound Community Steering Committee; Meeting with Senator Kuderer regarding SB 5188; EIHf Advisory Group meeting; WCRA Board of Directors meeting; Washington Continuing Care Resident's Association discussion with Representative Macri.

Second Quarter: Steve participated in the following policy events: HAF discussions; WCRA Board of Directors meeting; Microsoft quarterly meeting; AHAB board meeting; HFA/CDFI Virtual Summit hosted by Fannie Mae; Housing WA Brand Architecture; Sound Communities Steering Committee; HCESC Board and Member meeting; Microsoft monthly check-in meetings; NCSHA ED Forum; NCSHA’s 2021 legislative priority agenda setting and the ongoing Affordable HEALTH (Housing Equity and Long-Term Health) Initiative Advisory Group.

The 2022 leg agenda was discussed and approved at the December 2021 board meeting.

7. Produce and distribute the Annual Report and Cumulative Report by November 15, 2021.

First Quarter: Communications is gathering data for the program year just passed.

Second Quarter: Communications is gathering data for the program year just passed.

8. Organize and conduct a statewide housing conference by October 30, 2021; prepare and present a final report by January 31, 2022.

First Quarter: Due to COVID-19 and its variants, the Commission once again held a free virtual conference on October 5-6, 2021.

Second Quarter: We published our Requests for Proposals (RFP) for consultant support with developing the conference program and delivery of a high-quality event. Interview, should we choose to hold them, are tentatively scheduled to occur in January 2022.

9. Lead the Friend of Housing Award selection process and produce the awards ceremony during Housing Washington in October 2021.

First Quarter: Five Friend of Housing awardees were honored this year: Jamie Lee and Andrea Carnes in the category of Community Crisis

Response; Ji Soo Kim as Emerging Leader; Housing Connector in the category of Housing Inclusion; and Tony To with the Margaret Sevy Lifetime Achievement Award. Communications specialist Vanessa Thomas once again created moving, professional videos to honor each awardee. This year instead of presenting all the awards at one ceremony, we chose to show the videos one at a time between other events at the virtual conference. This format proved successful. Commissioners generously participated by introducing each award. We also held a networking session at the end of the day to give conference attendees the chance to congratulate and chat with the award winners. The videos will remain on display at www.housingwa.org/fohwards.

Second Quarter: Accomplished October 2021.

10. Coordinate, schedule and complete the annual revisions to the Business Resumption Plan by February 15, 2022.

First Quarter: No work this quarter.

Second Quarter: This is currently in the revision and coordination stage.

11. In collaboration with the Deputy Director and EMT/AMT, plan and conduct a staff planning session by June 30, 2022.

First Quarter: Worked on the planning session will begin during the second quarter.

Second Quarter: The planning session has been put on hold until we return to the office on a consistent basis. Complete the on-going implementation, monitoring and training for a Commission electronic content management system by June 30, 2022.

12. Complete the on-going implementation, monitoring and training for a Commission electronic content management system by June 30, 2022.

First Quarter: We continue to make progress with the ECMS implementation. This quarter we moved closer to the implementation of the Salesforce (Homebase) integration. We are applying a customer API developed by our Vendor MCCI to pass data from Laserfiche to Salesforce. This API is being applied to the new automated Multifamily guided application process. This will allow the 4% and 9% application process to be automated and free up time for staff. All the files for this process will be located in Laserfiche and accessed through Salesforce. We are also scheduled to launch another Webform for Multifamily that will automate the Projects Placing In-service process. The files will be uploaded into Laserfiche and the analyst will be able to view them there and pass them on to Compliance after the 8609 has been issued. We are testing a form for Homeownership that will automate the MCC reissuance process. Last we are working on a process that will allow us to access all the files on the Intranet through Laserfiche.

Second Quarter: This quarter we completed the 4%/9% online guided application and ran a soft launch of it in December. The full launch will be in early January. We are scheduling forms and basic Laserfiche training for the Commission staff in February and March. One staff member in the Compliance division will be attending a complete course to certify them in all non-technical aspects of Laserfiche.

13. Conduct monthly EMT/IT Governance meetings and semi-monthly AMT meetings and record and report actions to Executive Director and staff within 5 days.

First Quarter: Conducted three EMT/IT Governance meetings and one AMT meeting during the quarter.

Second Quarter: Conducted three EMT/IT Governance meetings and one AMT meeting during the quarter.

14. Monitor the strategic direction of the Commission's IT program and research, report and receive approval to implement new initiatives by December 31, 2021.

First Quarter: During this quarter we identified four IT issues that needed to be addressed immediately. One of those was our return-to-work strategy. We realized that since we have been so successful and productive while working from home that the nature of our work environment will not look the same as it did before COVID. Staff will not be in the office as much as they were. More telecommuting time will be implemented. With that said the Commission will have to enhance our security posture. We will need to be more responsive to cyber threats in our network environment. One thing we will have to do is to make a sure staff that is telecommuting full time will have Commission equipment with the appropriate security software and setting to ensure network safety. Second, we need to automate our response to threats. Third, we need to update our security infrastructure to make sure we have the most protection we can get. Last we need to update our recovery plan and provide a playbook scenario for our IT business resumption plan. All of these issues are being addressed and will be done by the beginning of next quarter.

Second Quarter: We continue to address issues that face the Commission's IT infrastructure. One of those issues is what equipment we will need to facilitate our new return to work policy. When we do return to the office it will be in a hybrid capacity. We will need to enhance our remote access equipment to make sure we maintain security. We have already put in place a new security device that will alert and stop intrusions into the network.

15. Throughout 2021/2022 the Administration Division will continue to advance the Commission's commitment to racial equity and social justice by accomplishing the following objectives:

- By June 30, 2022, provide continued commitment and support of

RacialJustice and Equity Team (RJET) efforts, including RJET's workplan development and implementation.

First Quarter: Executive Director meets regularly with our hired consultant, Co-Chairs of the RJET as well as the full RJET to support ongoing efforts to transform the Commission into becoming an antiracist agency. Activities include, but not limited to, the design and implementation of a series (1 of which occurred in the 1st quarter) of all staff dialogues promoting a foundational understanding of and common language for structural and systemic racism to inform our work going forward.

Second Quarter: We continue our support of the RJET through our contract with our racial equity consultant team. The EMT provided support in recruiting additional staff to serve on our RJET team. The Executive Director meets regularly with the RJET Co-Chairs to remain coordinated and supportive.

- By December 31, 2021, review and update Commission policies regarding: 1) Diversity, Equity and Inclusion; 2) Respectful Work Environment; 3) Anti-Discrimination, Harassment, and Sexual Harassment; and 4) Reasonable Accommodation.

First Quarter: Work on the planning session will begin during the second quarter.

Second Quarter: The policy review process has begun and will be completed during the next quarter.

- By June 30, 2022, continue to update the Commission's Office Procedure Manual to ensure relevance to current business practices, as well as ensuring that they reflect the Commission's commitment to racial and social justice.

First Quarter: Assessment of various sections for a racially equitable perspective has begun this quarter.

Second Quarter: Progress continues in the revision of the Office Procedure Manual in both identified areas of importance.

- By December 31, 2021, continue to assist the Homeownership Division in creating a marketing plan targeting identified underrepresented borrower households of color our homebuyer downpayment assistance programs.

First Quarter: Communications and the Homeownership division are thrilled to welcome our first Homeownership marketing coordinator, Kathleen Komin. Kat started her new job in September, bringing both marketing savvy and a community outreach background to help the Commission increase our proportion of non-white homebuyers as well as the number of non-white lending and real-estate professionals offering our programs.

Second Quarter: The Communications team is working closely with the

Homeownership division's marketing coordinator and a new contractor to finish the new Here to Home website which must be done before marketing efforts can begin. In addition, a new set of marketing objectives has been introduced as the Commission has taken on responsibility for the federal Homeowner Assistance Fund throughout the state. We are in the process of hiring a communications firm with expertise in reaching communities of color to help develop outreach strategies and ensure the program is successful in helping BIPOC homeowners.

16. Complete an Organizational Success Factor Survey of key clients and report by May 1, 2022.

First Quarter: This will be completed in the third quarter of the fiscal year.

Second Quarter: This will be completed in the third quarter.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

**Program Summary
The fiscal Year 2021 - 2022**

Program: IT Services

Division: Executive Office

Commission Goal:

- To focus Commission efforts on building communities.
- To maintain financial independence.
- To actively support our clients.
- To provide improved infrastructure and superior technology.

Problem/Need:

The Housing Finance Commission needs to provide technical support to program staff to assure the delivery of affordable housing and community facility programs.

Program Goal:

To provide support to Commission staff through technology programs that are both relevant to our mission and fiscally responsible.

Business Objectives (Outputs/Outcomes):

1. Ensure IT Service Desk incidents are resolved by the terms of our Service Level Agreement (SLA) which defines response time based upon severity level. This will be reported monthly to the ITG (Information Technology Governance) Committee.

Quarter 1: This quarter the service desk completed 156 issues.

Quarter 2: This quarter the service desk completed 132 issues.

2. Complete quarterly server recovery testing in conjunction with Disaster Recovery exercises to support the Business Resumption Plan.

Quarter 1: Restored various files from accidental deletions by end-users over this quarter.

Quarter 2: Restored various files from accidental deletions by end-users over this quarter.

3. Coordinate and assist in providing IT support for the installation and implementation of a Content Management System project through 6/30/2022.

Quarter 1: We continue to make progress with the ECMS implementation. This quarter we moved closer to the implementation of the Salesforce (Homebase) integration. We are applying a custom API developed by our Vendor MCCI to pass data from Laserfiche to Salesforce. This API is being applied to the new automated Multifamily guided application process. This will allow the 4% and 9% application process to be automated and free up time for staff. All the files for this process will be located in Laserfiche and accessed through Salesforce. We are also scheduled to launch another Webform for Multifamily that will automate the Projects Placing In-service process. The files will be uploaded into Laserfiche and the analyst will be able to view them there and pass them on to Compliance after the 8609 has been issued. We are testing a form for Homeownership that will automate the MCC reissuance process. Last we are working on a process that will allow us to access all the files on the Intranet through Laserfiche

Quarter 2: We continue to make progress with the ECMS implementation. We accomplished our first integration with one of our third-party cloud applications. We purchased a custom API (Application Interface) to integrate Laserfiche into Salesforce. In December we had a successful soft launch of the outward-facing guided application for the 4% and 9% bond round. We are planning a complete launch in January that would allow everyone to access the online application. Next quarter we are planning more forms of training with the Multifamily group and any others that want to join them. All the training is online and all are welcome.

4. Maintain the Salesforce database with the support of an external contractor; coordinate planning, scheduling, and implementation of enhancements and provide a monthly report to ITG.

Quarter 1: There were no issues with Salesforce this quarter.

Quarter 2: There were no issues with Salesforce this quarter

5. Maintain the Emphasys loan servicing platform with the support of internal staff and external contractors; coordinate planning, scheduling, and implementation of enhancements and present monthly reports to ITG on system status.

Quarter 1: There was no downtime experienced with Emphasys.

Quarter 2: There was no downtime experienced with Emphasys

6. Support Dynamics Nav and Serenic Navigator financial system under the terms of the SLA. Report monthly status updates to the ITG.

Quarter 1: There was no downtime experienced with Navision.

Quarter 2: There was no downtime experienced with Navision.

7. Provide and maintain monthly Service Desk Summary Reports with a roll-up of types of issues and resolution results as well as response time statistics under the SLA to the ITG.

Quarter 1: Provided a monthly summary report to the ITG of all the network and end-user issues. Those issues were documented in a report generated in Fresh Service (our ServiceDesk software).

Quarter 2: Provided a monthly summary report to the ITG of all the network and end-user issues. Those issues were documented in a report generated in Fresh Service (our ServiceDesk software).

8. Maintain an Information Technology training program that will ensure that current and future IT and Commission staff stay current with present and future technologies. Update current content by September 2021 and report status to the ITG monthly.

Quarter 1: Provided online training courses for IT staff through Itpro. tv and Pluralsight.

Quarter 2: Provided online training courses for IT staff through Itpro. tv and Pluralsight

9. Maintain a Commission staff training program that will ensure that current and future cyber security vulnerabilities are recognized and how to avoid them. Renew content yearly and publish training videos monthly.

Quarter 1: Provided online video training with Knowbe4.com. Videos included how to identify a phishing email and how to guard against Phishing attacks.

Quarter 2: Provided online video training with Knowbe4.com. Videos included how to identify a phishing email and how to guard against Phishing attacks.

10. Maintain the after-hours maintenance schedule that ensures all servers, desktops, laptops, and network equipment stay up to date with all security, firmware, and operating system updates as recommended by Microsoft and other Information Technology vendors to be performed quarterly.

Quarter 1: Network and server updates are scheduled for weekends or after hours once a quarter, regularly scheduled on the last day of the first month of the quarter. There were no issues with network and server updates this quarter.

Quarter 2: Network and server updates are scheduled for weekends or after hours once a quarter, regularly scheduled on the last day of the first month of the quarter. There were no issues with network and server updates this quarter.

11. Maintain and provide a quarterly Security Breach Report to the Information Technology Governance Committee and for audit purposes, and intrusions report from both internal and external sources by 10 days following the quarter-end.

Quarter 1: There were no breaches of the network this quarter.

Quarter 2: There were no breaches of the network this quarter. We purchased a new cyber security SIEM (security information and management). It is called Darktrace, which is one of the leaders in artificial intelligence when it comes to cyber security. This solution will give us more protection and allow IT to give ITG as well as the Commissioner a more comprehensive threat report of the organization.

12. Ensure that all critical IT hardware (servers, switches, and firewalls) and software remains under warranty coverage under the agreed-upon SLA (service level agreement). Audit them quarterly and provide a report to ITG of the expiring service contracts.

Quarter 1: All mission-critical servers, firewalls, and switches remain under warranty.

Quarter 2: All mission-critical servers, firewalls, and switches remain under warranty.

13. Maintain and update the Commission's IT network infrastructure as well as the Commission's desktops, laptops, and tablets.

Quarter 1: We continue to maintain the Commission's infrastructure at a high level.

Quarter 2: We continue to maintain the Commission's infrastructure at a high level.

14. Monitor the performance of our vendor, Eightcloud as well as other vendors and report to the ITG on whether they are meeting our SLA (Service Level Agreement) as

defined in our contract with them.

Quarter 1: This quarter Eightcloud met their SLA. They delivered their services on or before they were due and continue to shine in all aspects of their service.

Quarter 2: This quarter Eightcloud met their SLA. They delivered their services on or before they were due and continue to shine in all aspects of their service. This quarter Eightcloud completed the guided online application project on time and within the budget allocated for it.

15. Evaluate the impacts resulting from the COVID-19 pandemic on Commission programs and processes and, implement regulatory requirements or other changes as necessary.

Quarter 1: During this quarter we identified four IT issues that needed to be addressed immediately. One of those was our return-to-work strategy. We realized that since we have been so successful and productive while working from home that the nature of our work environment will not look the same as it did before COVID. Staff will not be in the office as much as they were. More telecommuting time will be implemented. With that said the Commission will have to enhance our security posture. We will need to be more responsive to cyber threats in our network environment. One thing we will have to do is to make sure staff that is telecommuting full time will have Commission equipment with the appropriate security software and setting to ensure network safety. Second, we need to automate our response to threats. Third, we need to update our security infrastructure to make sure we have the most protection we can get. Last we need to update our recovery plan and provide a playbook scenario for our IT business resumption plan. All of these issues are being addressed and will be done by the beginning of next quarter.

Quarter 2: We are working with the executive staff to develop and return to work strategy. We are hoping to have this done by the end of the next quarter.

16. Identify, communicate and support enhancements of current programs as well as the development of new tools to mitigate the impact of the COVID-19 pandemic.

Quarter 1: We have identified that we need to replace our out-of-date VPN device. We have a quote from F5 to update our two devices. We plan to exercise the quotes in the next two weeks.

17. Identify and implement IT infrastructure that can be moved into a cloud platform and cause little impact on the Commission's SLA by September 15, 2021.

Quarter 1: We have found that our firewall does not have the bandwidth to move our server to the cloud so we have purchased one that will work for

us. It is a Palo Alto Networks firewall, and it will be installed and placed in a testing phase shortly.

18. Identify and develop an online Salesforce application that can be used to capture the 4% and 9% application process for Multifamily. Also, provide continuous access to funded projects for ongoing compliance.

Quarter 1: This project is 65% done and we are anticipating user testing in late October.

Quarter 2: This project is done and will go live in January.

19. Ensure the integration of Salesforce (Homebase) and our Contact Management System (Laserfiche) to move forward in our efforts to move the Commission toward our digital transformation goals by October 1, 2021.

Quarter 1: We have purchased an API (Application Programming Interface) which will allow Laserfiche and Salesforce to exchange data.

Quarter 2: This project is done. We are now integrating Laserfiche with the Intranet.

Performance Measures:

1. Commission staff will have reliable access to major IT resources, File server, Office 365, Salesforce, Microsoft Dynamics NAV Remote Access, and Emphasys Bond system at least 99.9% of the time (excluding routine, scheduled maintenance).

Quarter 1: End-users had access to all network services this quarter 98.6% of the time.

Quarter 2: End-users had access to all network services this quarter 98.6% of the time.

2. Commission staff will have responses to network and peripheral support problems under our Service Level Agreement (SLA).

Quarter 1: All issues were resolved under our service level agreement.

Quarter 2: All issues were resolved under our service level agreement.

Assumptions:

1. No major disasters in the physical environment.
2. External contractor for software development and data analyst support.
3. No major disruptions of critical external IT services.
4. Performance outcome #1 will be measured and reported monthly by review of the problem ticket work order log.

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

PROGRAM SUMMARY
Fiscal year ending June 30, 2022

Report for the quarter ended December 31, 2021

PROGRAM: GENERAL OPERATIONS & PRI

DIVISION: FINANCE

Business Objectives:

- 1. Deposit and record all receipts, process accounts payable and accounts receivable daily; close general ledger with all appropriate transactions completed by the 12th business day of the next month.**

Quarter 1: All appropriate transactions were completed by the 13th, 18th, and 14th business days for the month-end close of June, July, and August 2021, respectively.

Quarter 2: All appropriate transactions were completed by the 18th, 11th, and 5th business days for the month-end close of September, October, and November 2021, respectively.

- 2. Provide accurate and timely management information to divisional directors, managers, and Commissioners by the 14th business day of the next month.**

Quarter 1: Commission-wide and divisional financial reports to management and Commissioners were provided by the 14th, 20th, and 14th business days following the month-end close of June, July, and August 2021, respectively.

Quarter 2: Commission-wide and divisional financial reports to management and Commissioners were provided by the 19th, 12th, and 13th business days following the month-end close of September, October, and November 2021, respectively.

- 3. Invest the Commission's general operating reserves, monitor investment managers and report status by the end of the month following each quarter.**

Summary of Activities and Results					Net Return			
<u>Fiscal Qtr.</u>	<u>Beginning Balance</u>	<u>Interest Earned</u>	<u>Mgmt. Fees</u>	<u>Realized Mkt Adj</u>	<u>Dollars</u>	<u>Percent</u>	<u>Unrealized Market Adj</u>	<u>Ending Balance</u>
Q1	\$ 47,789,899	\$ 179,588	\$ (35,512)	\$ 16,725	\$ 160,801	1.3%	\$ (145,471)	\$ 47,805,229
Q2	\$ 47,805,229	\$ 129,909	\$ (74,803)	\$ 15,920	\$ 71,026	0.6%	\$ (495,616)	\$ 47,380,639

- 4. Lead the Commission's annual budgeting process for FY 22-23 with a proposed budget completed for presentation at the Commission May planning session and a final budget adopted at the Commission's June 2022 meeting.**

Quarter 1: No activity this quarter.

Quarter 2: No activity this quarter.

- 5. Complete quarterly grant reconciliation and required reporting by the 5th business day following receipt of program staff detail following quarters end.**

Quarter 1: The quarterly grants reconciliation for Q4 2021 was completed August 13, 2021, 2 days following receipt of program staff's detail.

Quarter 2: Due to staff turnover, the quarterly grants reconciliation was not completed last quarter, but will resume with Q2 of FY 2022.

- 6. In the event of a state audit, facilitate the auditor's review and develop a plan of correction, if required, within 15 business days of the exit conference. Implement plan within 60 days of plan's approval by EMT.**

Quarter 1: The FY 2020 exit conference took place July 12, 2021. There were no findings. *No further work expected until 2021 audit is scheduled by SAO.*

Quarter 2: There is currently no scheduled audit by the SAO.

- 7. Maintain currency of knowledge in relevant SAAM and communicate relevant policies and procedures with appropriate levels of staff.**

Quarter 1: Chapter 10 Travel - Updated reimbursement rates for lodging and meals effective October 1, 2021.

Quarter 2: There were no OFM directives this quarter.

- 8. Review and update program policies and procedures by May 28, 2022.**

Quarter 1: No activity this quarter.

Quarter 2: No activity this quarter.

- 9. Work with Seller Servicer Consultant on a work plan and timeline for application, if applicable, for certification of the Commission as a Ginnie Mae, Fannie Mae, or Freddie Mac seller/servicer by June 30, 2022.**

Quarter 1: No activity this quarter.

Quarter 2: No activity this quarter.

PROGRAM-RELATED INVESTMENTS:

- 1. Provide maximum funds available, including those from the PRI and Bond funds and warehouse lines as necessary for the purchase of timely purchase of mortgage loan participations. Manage the process receiving funds and returning the loan participations, maintaining appropriate control. Reconcile all activity and ensure correct revenue is received.**

Quarter 1: All purchases of mortgage loan participations have been made timely and all funds received and returned reconciled and properly managed.

Quarter 2: All purchases of mortgage loan participations have been made timely and all funds received and returned reconciled and properly managed.

- 2. Provide Program Related Investment financial statements including available program balances by the end of the month following quarter end.**

Quarter 1: PRI financial statements for the 4th quarter of FY 2021 were distributed July 30th, 2021, in line with the given timeframe.

Quarter 2: PRI financial statements for the 1st quarter of FY 2022 were distributed October 31st, 2021, in line with the given timeframe.

Performance Measures:

- 1. The Commission's annual independent external audit will have an unqualified opinion with no reportable conditions.**

Quarter 1: Interim field work was successfully completed during the week ending July 30, 2021, with an entrance conference with the audit committee held August 26, 2021. Final fieldwork is scheduled to begin the week of October 4th with completion by mid-November.

Quarter 2: A final draft of the audit was presented to the Audit Committee November 18th. The audit was completed and issued with an unmodified or “clean” opinion on November 22nd. **Complete, no additional activity for the fiscal year.**

2. The Commission’s annual state compliance audit will report no material instances of non-compliance with applicable statutes and WACs.

Quarter 1: The FY 2020 state audit exit conference took place July 12, 2021. No material instances of non-compliance were identified.

Quarter 2: There is currently no scheduled audit by the SAO.

3. All of the general operations financial reports will be completed within the specified timeframes.

Quarter 1: General operations financial reports were completed on the 13th, 18th, and 14th business days for the month-end close of June, July, and August 2021, respectively.

Quarter 2: General operations financial reports were completed on the 18th, 11th, and 5th business days for the month-end close of September, October, and November 2021, respectively.

4. Management will have the materially accurate financial information available monthly by the 20th day of the following month to guide effective decision making.

Quarter 1: Financial information was available by the 21st, 27th, and 21st day of the following month for the months of June, July, and August 2021, respectively.

Quarter 2: Financial information was available by the 27th, 17th, and 17th day of the following month for the months of September, October, and November 2021, respectively

**WASHINGTON STATE
HOUSING FINANCE COMMISSION**

PROGRAM SUMMARY
Fiscal year ending June 30, 2022

Report for the quarter ended December 31, 2021

PROGRAM: BOND PORTFOLIO MANAGEMENT

DIVISION: FINANCE

Business Objectives:

1. **Review and record bond transactions, create quarterly financial statements, disclosure and management reports:**
 - a. **Review and record monthly transactions by the 20th of the following month.**

Quarter 1: All Single-family bond portfolio transactions for June were posted 7/27/2021, July were posted 9/16/2021, and August transactions are all completed and ready for posting.

Quarter 2: Single-family bond portfolio transactions for September were posted 11/11/2021, October's transactions were recorded 12/9/2021, and November's recorded 1/11/2022.
 - b. **Quarterly outstanding bond list by program with balances by 10 days following quarter end, single-family and non-conduit multifamily bond disclosure reports posted to website and EMMA as required, financial statements (including parity) and PlainsCap Compliance reporting, dashboard of bonds outstanding and activity to management and Commissioners, and complete quarterly conduit bond negative confirmations distribution for 25% of outstanding conduit bonds by 35 days following quarter end.**

Quarter 1: The quarterly Single-Family Disclosures were posted on 8/13/2021. The parity reports and Plains Capital compliance reporting distributed 7/29/2021. Bond negative confirmations were mailed on July 28, 2021.

Quarter 2: The quarterly Single-Family Disclosures were posted on 11/18/2021. The parity reports and Plains Capital compliance reporting distributed 10/27/2021. Bond negative confirmations were mailed on December 14, 2021.
 - c. **Semi- annual single-family indenture parity reports, liquidity compliance reports, and updates to cross call table, proceeds use report (WAC 262 01 080) by 45 days following quarters end.**

Quarter 1: These reports were prepared and distributed within the given timeframe.

Quarter 2: These quarterly reports, for the period ending 09/30/2021, were prepared and distributed within the given timeframe.
2. **Reconcile Home Advantage TBA MBS sales within three days of each sale (generally three times per month with two servicers).**

Quarter 1: All Home Advantage MBS sales were reconciled within the given timeframe.

Quarter 2: All Home Advantage MBS sales were reconciled within the given timeframe.
3. **Monitor arbitrage liabilities and assure timely calculation, reporting, recording and payment within the quarterly timelines above.**

Quarter 1: There were no arbitrage payments due this quarter, reports were reviewed and confirmed.

Quarter 2: The final required arbitrage calculations for SF 2014-1 (#588), were computed and filed on 9/1/2021, with no rebate due.

4. Administer the bond cap recycling program including quarterly reporting on available cap and related debt outstanding.

Qtr Ending	Sources		Uses		Expired (Unused)	
	No.	Amount	No.	Amount	No.	Amount
09/30/21	6	\$ 80,988,386	4	\$ 32,773,000	1	\$ 18,000,000
12/31/21	9	\$ 33,881,290	5	\$ 56,661,380	-	\$ -
YTD Total	14	\$ 126,100,983	11	\$ 95,197,749	1	\$ 18,000,000
Available at 12/31/21				\$ 47,656,676		

5. Complete annual audit of financial statements and obtain an unqualified audit opinion by December 9, 2021. Publish audited financial statements within 30 days of Commission approval, no later than January 10, 2022.

Quarter 1: Interim field work was successfully completed during the week ending July 30, 2021, with an entrance conference with the audit committee held August 26, 2021. Final fieldwork is scheduled to begin the week of October 4th with completion by mid-November.

Quarter 2: Audited financials with an unqualified audit opinion were issued November 22, 2021, were published to EMMA on December 2nd and posted to the Commission website on November 23. **This objective is complete, no further reporting.**

6. Review and update program policies and procedures by May 28, 2022.

Quarter 1: Work on updating program policies and procedures is ongoing.

Quarter 2: Work on updating program policies and procedures is ongoing.

Performance Measures:

1. The Commission’s annual independent external audit will have an unqualified opinion with no reportable conditions.

Quarter 1: Interim field work was successfully completed during the week ending July 30, 2021, with an entrance conference with the audit committee held August 26, 2021. Final fieldwork is scheduled to begin the week of October 4th with completion by mid-November.

Quarter 2: Audited financials with an unqualified audit opinion were issued November 22, 2021, were published to EMMA on December 2nd and posted to the Commission website on November 23. **This objective is complete, no further reporting.**

2. All of the bond accounting financial reports, including the dashboard and disclosures, will be completed within the specified timeframes.

Quarter 1: The bond accounting financial reports were completed in a timely manner.

Quarter 2: The bond accounting financial reports were completed in a timely manner.

3. Required Single Family Arbitrage information returns will be timely filed.

Quarter 1: While no single-family arbitrage reports were due during this period, we have contacted the quantitative analyst to assure reports due early next quarter will be available to assure timely returns can be filed if required.

Quarter 2: Required arbitrage calculations for SF 2014-1 (#588), were filed timely.

4. Home Advantage TBA MBS Sales will be reconciled within three days of receipt of funds and necessary distributions identified.

Quarter 1: All Home Advantage MBS sales were reconciled, and distributions identified, within the given timeframe.

Quarter 2: All Home Advantage MBS sales were reconciled, and distributions identified, within the given timeframe.



Washington State Legislature

January 5, 2022

Washington State Housing Finance Commission
Attn: Chair Bill Rumpf
1000 2nd Avenue, Suite 2700
Seattle, Washington 98104

Re: Geographic Disbursement of Affordable Housing Funds

Dear Commission Chair Rumpf and Commissioners,

While we value the Washington State Housing Finance Commission's efforts to address the growing challenge of our state's affordable housing crisis, it has become evident that certain WSHFC programs are leaving communities across Washington state behind. Specifically, we, the undersigned legislators hereby encourage the Commission to implement geographic disbursement requirements within its 4% Tax Credit/Bond program.

An imbalance of this program's funding has favored one single county above Washington state's remaining 38 counties. This has hindered the completion of viable projects and impacted families and struggling Washingtonians across the state. Housing affordability is a state-wide crisis in need of a state-wide solution.

Meanwhile, recent funding rounds from the 4% Tax Credit/Bond program have, on average, awarded King County double the funds of all other 38 Washington counties. In the first round of 2020, the program awarded 80% of funding to serve a county with 30% of the state's population. In the second round of 2021, the program gave 100% of the funding to this same county. There are extensive and unquestionable needs in King County; however, we believe that 0% or a remaining 20% of the program's funding is inadequate to meet the increasing affordable housing needs in Washington state's other 38 counties.

The commission already follows geographic disbursement thresholds for its 9% Housing Tax Credit Program. State statute also requires WSHFC to meet these standards:

"The geographical distribution of bond proceeds so that the benefits of the housing programs provided under this chapter will be available to address demand on a fair basis throughout the state." RCW 43.180.070

By taking action to implement geographic distribution standards for the 4% Tax Credit/Bond program, WSHFC will balance an ongoing inequity within a program created to address one of

our biggest state-wide challenges. It will also satisfy WSHFC's statutory obligations while serving the affordable housing needs of families across Washington state.

We request prompt action on this issue and request the commission follow up with a timeline for considering implementing geographic distribution levels within the 4% Tax Credit/Bond Program.

Sincerely,



Representative Paul Harris



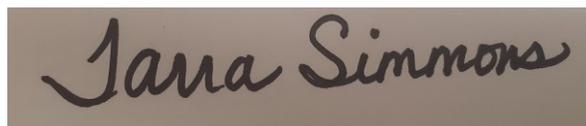
Senator Curtis King



Representative Drew Hansen



Senator Judy Warrick



Representative Tarra Simmons



Senator Perry Dozier



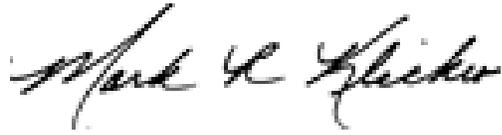
Representative Tom Dent



Senator Sharon Brown



Representative Bradley Klippert



Representative Mark Klicker



Representative Gina Mosbrucker



Representative Alex Ybarra



Representative Laurie Dolan



Representative Matt Boehnke



Senator Chris Gildon



Senator Christine Rolfes



Representative Chris Corry



Senator Sam Hunt



Opening doors to a better life

January 18, 2022

Representative Paul Harris	Senator Curtis King	Representative Alex Ybarra
Representative Drew Hansen	Senator Judy Warnick	Representative Matt Boehnke
Representative Tara Simmons	Senator Perry Dozier	Senator Christine Rolfes
Representative Tom Dent	Senator Sharon Brown	Senator Sam Hunt
Representative Bradley Klippert	Representative Mark Klicker	Representative Gina Mosbrucker
Representative Laurie Dolan	Senator Chris Gildon	Representative Chris Corry

Dear Honored Legislators,

Thank you for your January 5 letter regarding the geographic disbursement of funds in the federal 4% bond/Low Income Housing Tax Credit program.

We are grateful for the opportunity to share the steps we have taken in the last year to correct geographic imbalances in this program and to explain the challenges of allocating this extremely oversubscribed resource. We share your concern about the affordable housing crisis that is hurting people in your districts and everywhere in the state, and your commitment to statewide solutions.

First, we are pleased to share that last July the Commission approved changes for the program’s 2022 application round that would allow projects outside King County to be more competitive. While previously the success rates of King County projects were similar to balance of state, in 2020 and 2021 we did see more of an imbalance.

Our new policy is to target 40 percent of available bond cap to projects outside King County (assuming they meet minimum criteria). The geographic pool system that you mention, which works well for the 9% credit competition, would not be an effective solution for the bond/credit program for reasons detailed below. We believe the 40% target will result in higher success rates for projects outside King County.

Secondly, we would like to clarify that King County projects, while overrepresented in recent competitions, are not receiving allocations at the expense of the state’s other 38 counties. Very few counties are represented in applications for the bond/credit program. In fact, in the last two years, projects in only 12 counties were submitted. By far, the greatest number come from King County.

This is in large part due to its federal requirements, 4%/bond financing is a tool that only works for certain housing projects. Unlike grants and high-subsidy programs—notably the 9% credit

program—it requires that the developer take on a large amount of construction debt. Thus, whether the housing is financially feasible depends on many factors, including whether its location can support higher rents and whether local funds are contributing to the funding mix. Large metro areas, especially King County, are more likely to offer such options.

Finally, it bears repeating that the statewide demand for the bond/credit program now far outstrips the available financing. In fact, we have just received intent-to-apply letters for the first competitive round of 2022. The requests total almost \$1 billion, dwarfing our available bond cap of \$200 million. Furthermore, of the 30 projects that submitted an intent-to-apply letter for the first 2022 round, only seven are from outside King County.

To bring affordable housing to all communities across the state, it will take not only careful distribution of federal and state resources, but also an increase in those resources. On a hopeful note, right now Congress has the opportunity to make a simple change in the bond/credit program that would essentially double this resource for Washington state, without requiring additional federal dollars. The change would lower the requirement that each project be at least 50% bond-financed in order to access housing tax credit dollars. If only 25% of the project had to be bond-financed, it would free up millions more in bond cap and finance twice as many projects in our state. It would also help individual projects be more feasible, especially in areas that haven't been able to invest as much local funding. This lowering of the "50% test" is a key provision in the Affordable Housing Credit Improvement Act championed by Washington's Senator Cantwell and Congresswoman DelBene and included in the currently stalled Build Back Better act.

Once again, thank you for engaging with us and sharing your concerns. We hope this explanation has been helpful. If you have further questions or to discuss housing issues in your district, please don't hesitate to reach out to me at steve.walker@wshfc.org.

We look forward to working with you to meet our state's critical housing challenges and wish you the best in the 2022 legislative session.

Sincerely,



Steve Walker
Executive Director

Events Calendar

Date		Length of Event	
Event	Housing Washington 2022 Conf.	Audience	Conf. Attendees
Address	Location/Date(s) TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	1/27/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	Online only via Zoom	Division	Administration
City		Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	2/24/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	Online only via Zoom	Division	Administration
City		Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/21/2022	Length of Event	
Event	2022 NCSHA Legislative Conf.	Audience	NCSHA Members
Address	Hilton Wash. DC National Mall Hotel	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/22/2022	Length of Event	
Event	2022 NCSHA Legislative Conf.	Audience	NCSHA Members
Address	Hilton Wash. DC National Mall Hotel	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/23/2022	Length of Event	
Event	2022 NCSHA Legislative Conf.	Audience	NCSHA Members
Address	Hilton Wash. DC National Mall Hotel	Division	Administration
City	Washington, DC	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	3/24/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	Online only via Zoom	Division	Administration
City		Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	4/28/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/23/2022	Length of Event	TBD
Event	Board Meeting & Budget Planning Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	5/24/2022	Length of Event	TBD
Event	Budget Planning Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/21/2022	Length of Event	
Event	NCSHA 2022 Housing Connect Conf.	Audience	NCSHA Members
Address	Hyatt Regency Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/22/2022	Length of Event	
Event	NCSHA 2022 Housing Connect Conf.	Audience	NCSHA Members
Address	Hyatt Regency Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/23/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/23/2022	Length of Event	
Event	NCSHA 2022 Housing Connect Conf.	Audience	NCSHA Members
Address	Hyatt Regency Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	6/24/2022	Length of Event	
Event	NCSHA 2022 Housing Connect Conf.	Audience	NCSHA Members
Address	Hyatt Regency Chicago Hotel	Division	Administration
City	Chicago, IL	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	7/28/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	8/25/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	9/22/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/22/2022	Length of Event	
Event	NCSHA 2022 Annual Conf. & Tradeshow	Audience	NCSHA Members
Address	Marriott Marquis Houston Hotel	Division	Administration
City	Houston, TX	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/23/2022	Length of Event	
Event	NCSHA 2022 Annual Conf. & Tradeshow	Audience	NCSHA Members
Address	Marriott Marquis Houston Hotel	Division	Administration
City	Houston, TX	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/24/2022	Length of Event	
Event	NCSHA 2022 Annual Conf. & Tradeshow	Audience	NCSHA Members
Address	Marriott Marquis Houston Hotel	Division	Administration
City	Houston, TX	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/25/2022	Length of Event	
Event	NCSHA 2022 Annual Conf. & Tradeshow	Audience	NCSHA Members
Address	Marriott Marquis Houston Hotel	Division	Administration
City	Houston, TX	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	10/27/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	11/17/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470

Date	12/8/2022	Length of Event	11:00 AM - 4:00 PM
Event	Board Meeting	Audience	General Public
Address	TBD	Division	Administration
City	TBD	Contact	Tera Ahlborn
		Phone # of Contact	206-287-4470
